

# NATION'S BUSINESS

November



1925

## What the Federal Trade Commission Did to Me

By HARRY V. ELLIOTT

*Vice-President, The Chas. H. Elliott Co., Philadelphia*

## The \$42,000,000 Postal Deficit

By THE POSTMASTER GENERAL

## Our Gullible Friend the Banker

By GEORGE WOODRUFF

*Vice-Chairman, The National Bank of Chicago*

## Business and Higher Learning

By THE PRESIDENT OF THE UNIVERSITY OF PENNSYLVANIA

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Let's Take a Look at Tennessee, by Merle Thorpe  
What's What in Your Fire Policy? by H. A. Smith  
Football—a Run for Your Money, by Raymond C. Willoughby  
Invisible Government of Quality Street, by Earle C. Reeves  
Blame the Banker, Not the Salesman, by Harry R. Wellman  
First Aid to Injured Business, by Judge John Barton Payne  
Cutting Out Waste in Distribution, by A. Lincoln Filene

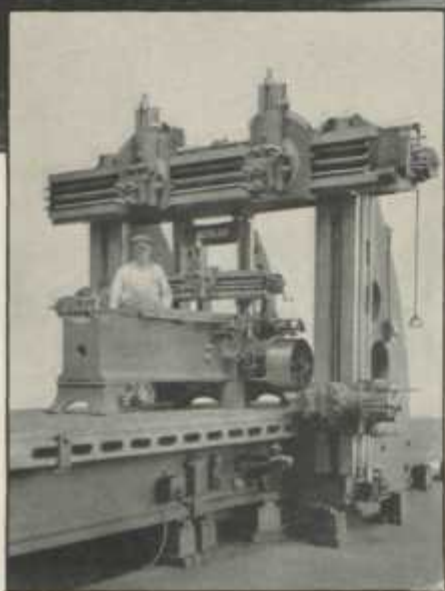
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Published at Washington by the Chamber of Commerce of the United States

MORE THAN 203,000 CIRCULATION





The smaller planer shown is the 24 in. x 5 ft. Standard Planer, the smallest of the Gray line. It is mounted on the table of a 72 in. x 72 in. Maximum Service Planer, one of the largest built by The G. A. Gray Co. These planers will be manufactured in the plant shown above.

## Austin Builds for Gray Planers

### The Last Word in Machine Tool Plants

**T**HIS large, new plant, designed, built and equipped complete, by The Austin Company for The G. A. Gray Company at Cincinnati, is an example of the service Austin offers to industry everywhere.

This plant represents an investment of nearly a million dollars; it embodies the most modern ideas in industrial plant construction. It comprises machine shops, power plant and a two-story office building designed for added floors.

Floods of daylight stream down from monitor and side walls; fresh air in abundance is drawn through ventilating sash, insuring ideal working conditions.

The plant buildings are designed for 30-ton traveling bridge cranes capable of handling single castings, 40 feet long, weighing up to 25 tons.

The Austin contract with The G. A. Gray Company included the specification and installation of equipment—heating, lighting, plumbing, air and gas lines, electrical equipment, sprinkler systems and railroad trackage.

Executives with big, complex plant-building problems are invited to discuss them with Austin. Fifty years' experience is your guaranty of helpful suggestion and recommendation.

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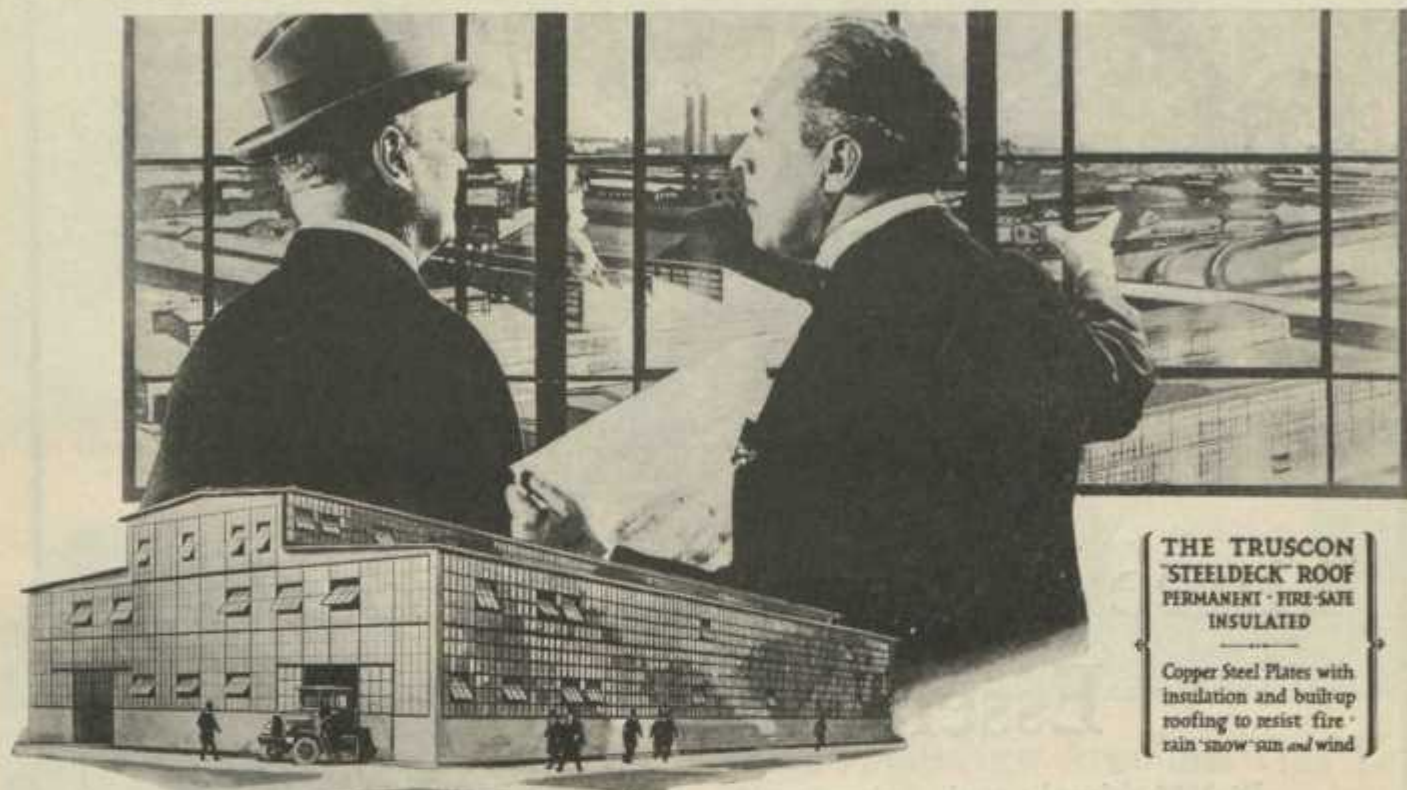
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*Can be Solved Economically by Truscon*

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**THE TRUSCON  
"STEELDECK" ROOF**  
PERMANENT • FIRE-SAFE  
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insulation and built-up  
roofing to resist fire,  
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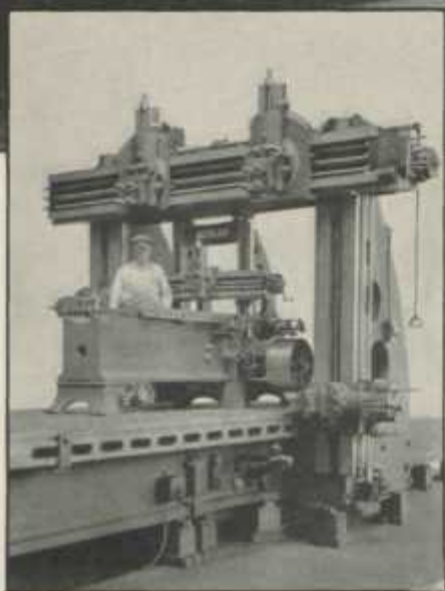
TRUSCON STEEL COMPANY, Youngstown, Ohio

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## TRUSCON STANDARD BUILDINGS







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The new Austin Book of Buildings contains data that every Industrial Executive should have. To secure your personal copy, mail the coupon, phone or wire.

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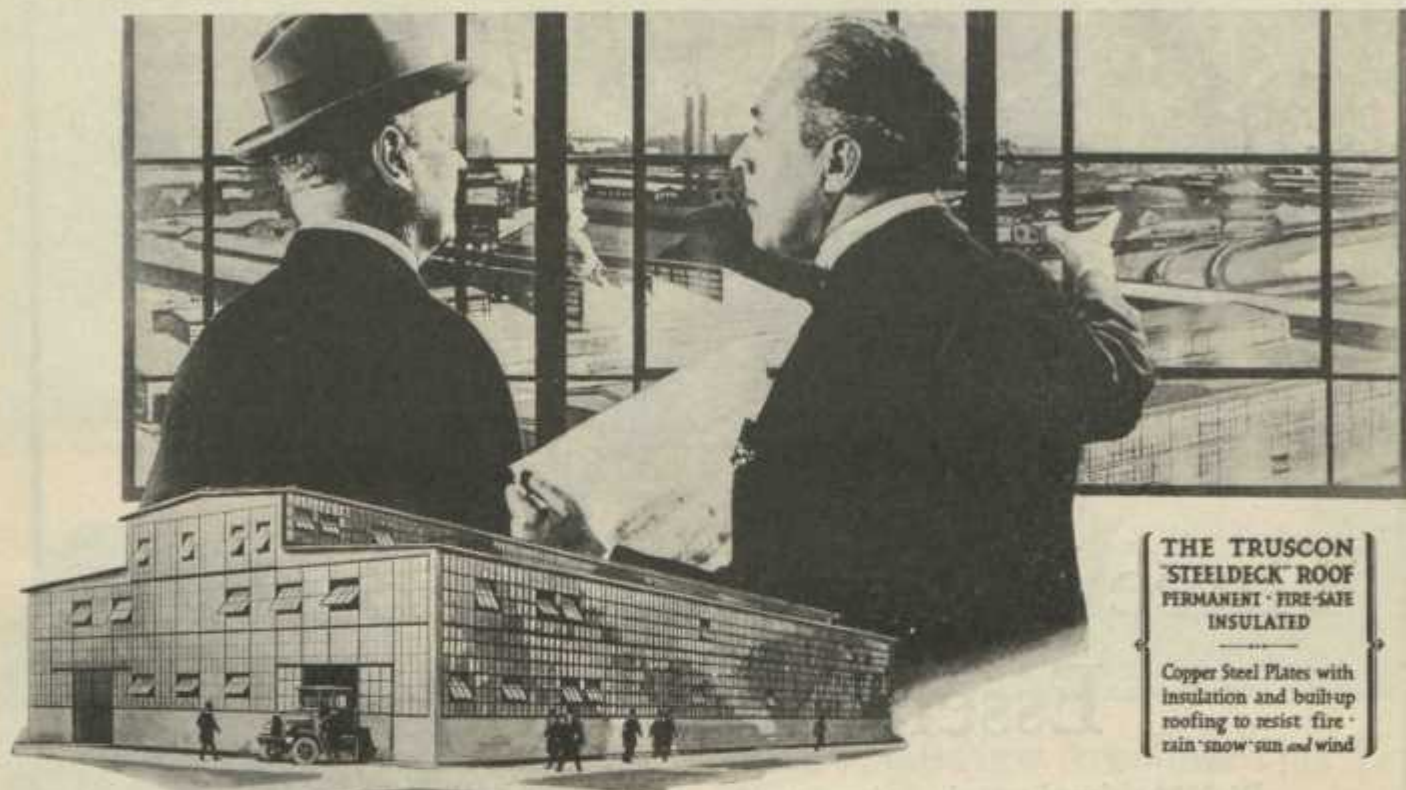
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# YOUR BUILDING PROBLEM

*Can be Solved Economically by Truscon*

FLAT ROOF • PITCHED ROOF • MONITOR AND SAWTOOTH TYPES OF COMPLETE BUILDINGS



**THE TRUSCON  
"STEELDECK" ROOF**  
PERMANENT • FIRE-SAFE  
INSULATED

Copper Steel Plates with  
insulation and built-up  
roofing to resist fire •  
rain • snow • sun and wind

**Y**OU can get a Building from Truscon that to the slightest detail will answer your exact requirements. You can get it in much less time than any other permanent construction. We do not give you just a building; you get a far-reaching service that frees you from details of design, delivery and erection. Truscon does it all—at no extra cost to you. You know the total price at once. You know the date of completion, far in advance—and on that day Truscon turns over to you a complete, fireproof, copper-steel Building up and ready for use. It will be worth your while to consult Truscon.

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**TRUSCON**  
STANDARD  
BUILDINGS





# Costly plant accidents

## *How to stop breeding them*

Insurance men confirm the heavy toll exacted from industrial plants by faulty lubrication. One prominent insurance company states:

"Faulty lubrication is one of our greatest claim-makers. . . . We are therefore greatly interested in keeping our men informed regarding the best methods of lubrication."

When an accident happens to your machinery your insurance may cover the actual cost of repairs, but you pay for the production losses involved.

An important machine undergoing repairs throws out production schedules as surely as a railroad accident throws out train schedules. Your regular production cannot get through. The price you pay for the loss is the price you pay for using incorrect oils, or applying oils incorrectly, or both.

Once your machinery is lubricated with correct oils correctly applied, accidental interruptions to your production will be measurably reduced. You will be able to count upon a more steady flow from raw materials to finished goods. You will have less non-productive labor to pay for—fewer mechanical stoppages and repairs to pay for. Your power costs will be reduced. Your entire mechanical equipment will last longer—and need for its replacement will be deferred.

Each one of these wastes eats into profits. Each can be restrained by the modern science of lubrication.

The Vacuum Oil Company, the world's leading authority on scientific lubrication, puts its experience and its correct oils at your service.

With the cooperation of your plant personnel we will gladly assume the full responsibility for prescribing correct lubrication throughout your plant.

A letter addressed to our nearest branch office will put you in touch with an experienced representative who will report to you at your convenience. New York (Main Office), Albany, Boston, Buffalo, Chicago, Dallas, Des Moines, Detroit, Grand Rapids, Indianapolis, Kansas City, Milwaukee, Minneapolis, New Haven, Oklahoma City, Peoria, Philadelphia, Pittsburgh, Portland, Me., Rochester, St. Louis, Springfield, Mass.



## Lubricating Oils for Plant Lubrication

IF the Vacuum Oil Company lubricates your plant, you use an organization which has specialized in lubrication for 59 years, whose engineers and field men visit over 200,000 plants yearly, whose treatises are recognized engineering textbooks. Gargoyle Lubricating Oils are approved specifically by 225 foremost machinery builders, and lubricate industries the world over.

# Vacuum Oil Company

NEW YORK

*When writing to VACUUM OIL COMPANY please mention Nation's Business*







LAST MONTH we expressed our mild amazement that writers on economic subjects used different terminology from that of those business men who talk economics over the luncheon table. Now comes Mr. C. L. Campbell, in his new book "Commonwealth," with his introductory promise "to free the study of economics from its stigma as 'the dismal science'" and "to reduce the language of economics to the language of general intelligibility." That was music to the ears of an editor whose slogan for the NATION'S BUSINESS has been "economics as one business man talks to another." Here we were to have business economics in the simple language of the street.

But when we struck the author's definition of a harvest as something "producing opposition of matter for biological incorporation of energy resulting in production of food, fuel or raw material" our spirits were dampened. Later on we reached his discussion of business honesty and learned it was "a broad and outstanding attributive ethic in economic transactions and in wealth control." But here is the sesquipedalian statement which sent us to bed with cephalalgia: "When psychic traits can come to have a genetic classification, honesty and dishonesty may be classed as opposed unit characters, each of a homozygous origin."

To move the original question: Why can't an economist write of simple business transactions "as one business man talks to another?"

TO THE GENTLEMAN in Lincoln, Nebraska, who writes us seven pages (single-spaced) of bitter Philippic and scathing denunciation, ending with a challenge "to print one single sound argument against government operation":

Why not take a look on the first page of any newspaper and read the reports these days on Shipping Board Operations as presented by Messrs. Thompson, Haney, Plummer, Coolidge, et al.? They read almost like Judge Gary's annual report on the United States Steel Corporation, don't they? Yes, they don't!

FOUR MILLION of us, by our votes last November, went on record that Wall Street is a den of thieves "strangling government and industry" and that "Jack (sic) Morgan deflates the farmer" when the whim strikes him at luncheon.

One of these unscrupulous gentlemen, a member of the House of Morgan, died this month. Although he had labored side by side with Wall Street gentry for more than twenty-five years, he failed to profit by his contact, for witness his child-like trust as evidenced by his will. His executors are to accept without question the figure arrived at by his former partners as to the amount due him from the firm. His executors are to act on the advice of any one of his former partners as to the disposition of his estate. Finally he instructs the court not to require the usual bond of his executors.

Deaf to repeated warnings from the stump, Mr. Stettinius leaves his widow to the tender

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No. 12

### NATION'S BUSINESS

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As the official magazine of the National Chamber, this publication carries authoritative notices and articles in regard to the activities of the Chamber. But in all other respects, the Chamber is not responsible for the contents of the article or for the opinion to which expression is given.



## EVERY ROOF NEEDS INSULATION



Laying 20,000 sq. ft. Armstrong's Corkboard, two inches thick, on concrete roof of a building in Detroit, Michigan.

## Comfort and Economy Under Cork Insulated Roofs

**I**F the top floors of buildings are hard to heat in winter, or if they are like ovens on hot summer days—nine times out of ten the roofs are to blame. Too much heat gets through them; they need cork insulation to hold the heat inside in winter and keep it out in summer. Roofs heat-proofed with Armstrong's Corkboard insure year-round comfort and a decided saving in fuel.

Armstrong's Corkboard (made of pure cork) is the most efficient practicable insulation known. It is virtually impervious to heat and when used on the roof keeps the upper floors warm in cold weather and cool in hot. It materially reduces heating expense, and, in industries where humidity is high, absolutely stops condensation on ceilings.

Armstrong's Corkboard may be laid on old roofs as well as new, with no change in roof design. Armstrong's Corkboard is firm and rigid and makes a permanently substantial base for the roofing. It is nonabsorbent and will not swell or buckle. It is a positive fire retardant.

Are you interested in a heat-tight roof for your own building? A request will bring you full information. Armstrong Cork & Insulation Company (Division of Armstrong Cork Company), 195 Twenty-fourth Street, Pittsburgh, Pa. In Canada, McGill Building, Montreal.



*Branches in the Principal Cities*

## Armstrong's Corkboard Insulation

*for Commercial and Industrial Building Roofs*

mercies of the "Wall Street Wolves." On second thought, perhaps, who knows, he had a better understanding of the character and integrity of his associates than the raucous politicians who still seek votes by the "hated Wall Street route."

**O**N ONE occasion this magazine listed some 40 government agencies which have direct relation with the railroad. Here is a little list, for which we are indebted to the *Black Diamond*, of 20 Federal agencies which now gather facts about coal:

- Bureau of Mines
- Geological Survey
- General Land Office
- Bureau of Indian Affairs
- Census Bureau
- Coal Division of the Department of Commerce
- Natural Resources Division of the Treasury Department
- Public Health Service
- Bureau of Standards
- Department of Justice
- War Department
- Navy Department
- Shipping Board
- Government Fuel Yard
- Department of Labor
- Federal Trade Commission
- Smithsonian Institution
- National Museum
- Bureau of Public Roads
- Interstate Commerce Commission

And, says the *Black Diamond*, "We may have overlooked a few."

**M**R. RODGER L. SIMONS, of Minneapolis, read the paragraph in the May number which quoted John Wesley's discovery 140 years ago of the economics which *NATION'S BUSINESS* is preaching. Mr. Simons goes further back to show us how venerable are economic disputes which still go on, and quotes this from Copernicus, the founder of modern astronomy, who was born before Columbus set sail:

Innumerable though the evils are with which kingdoms, principalities, and republics are troubled, there are four which in my opinion outweigh all others—war, death, famine and debasement of the money. The three first are so evident that no one denies them, but it is not so with the fourth.

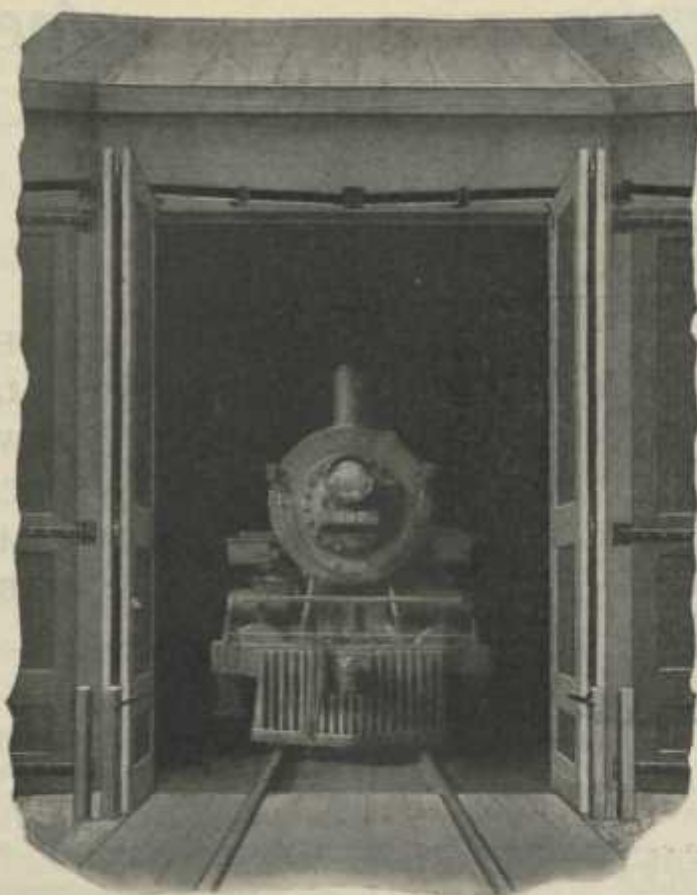
**T**HE MORE readers this magazine gets and the more the readers read it, the more we have to watch our step in what we say. Our able co-worker, Mr. Willoughby, said in his column in the September number that the first electric railway began operation in Richmond, Va., and we had always believed that. Now comes Mr. E. K. Bacon, of Mansfield, Ohio, to say:

I dislike to disagree with your excellent publication, but my diary states that the first electric car was run in Mansfield, Ohio, on August 8, 1887, and there is a photograph in the office of Mr. F. C. Chamberlain, Gen. Mgr. of the Ohio Public Service Co., this city, who operate the Mansfield Electric Ry., which shows an electric car on the streets of Mansfield with the caption "First Electric Car in Mansfield" and is dated 1887 and was apparently taken in the summer. Our little towns must have their just rights in all small matters, you know.

**F**OR SOME months we have from time to time cried out that the country was in danger from a rising flood of legislation. We have preached a general vacation for law-making bodies. To every man whose sole remedy for any evil was "Let's make a law," we have answered sharply, "Let's see if we can't fix it ourselves without making a law."

And most of our correspondents have wept





"Quality leaves  
its imprint"



## *Slidetite* for doorways of any size

**I**NDUSTRIAL doors, necessarily big and heavy, equipped with *Slidetite* Industrial Door Hardware are operated with amazing ease. Smoothly they slide and fold to either side, leaving the doorway unobstructed. Most practical for any opening up to 30 feet wide. They stay where placed, and are so supported they cannot sag. Simplifies all doorway problems, large or small. Saves a world of bother. R-W equipment is used with unfailing success in thousands of big industrial plants.

### A Big Thing for Big Doorways

*Slidetite* Industrial Door Hardware is fulfilling every requirement of big doorways with the same unequalled efficiency that distinguishes every product bearing the R-W Trademark. Garage, barn, house, fire and elevator doors will always work right when equipped the R-W

way. The Richards-Wilcox Engineering Department is constantly rendering service to thousands in simplifying doorway problems. Write them on the installations you wish to make. It costs you nothing. They're glad to help you.

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# 4th Power Show

## New Ideas— the greatest of business assets

**S**OUND ideas, according to an eminent authority, have contributed more to the progress of industrial power than any other factors. This is an era of speed and harnessed energy. To maintain this tremendous pace, requires a vast store of new ideas, better methods, increased production.

The 4th Power Show offers you the greatest possible source of modern ideas on power generation, transmission and utilization. If your enterprise is concerned with power of any kind, you cannot fail to benefit by the wide variety of interesting and educational exhibits displayed at the Power Show.

Be sure to attend this great Exposition and send one or more of your men to represent your firm. Let them meet and talk with the country's leading mechanical engineers, manufacturers and business men. No one can fail to bring back fresh ideas and information that will prove valuable business assets.

Make every effort to come in person and get your facts first hand. Plan NOW to be there.

National Exposition of Power  
and Mechanical Engineering

Grand Central  
Palace

NEW YORK CITY

Nov. 30th to Dec. 5th

with us. They, too, have said, "Too many laws; too many laws!" But here comes a correspondent who takes a less gloomy view. He is John J. Cornwell, general counsel of the B. and O.

Now that most of the legislatures which convened in the current year have adjourned, a check-up of those in the eastern states, as well as those in the central, western and northwestern, shows that few, if any, important railroad bills were passed. In some of the states where many bills have been introduced at each session, none were presented at the 1925 session. In other states where full-crew, short-train and shed bills were introduced, they were promptly turned down in the committees. Probably this failure of the legislatures to pass the usual number of acts regarding the railroads was due to three things:

First, there are not so many remaining questions relating to railroads upon which to base new legislative acts.

Second, the carriers have, during the past few years, been more frank and open in their discussions of railroad questions with the public, and, in consequence, the people are better informed and have a better appreciation of the problems of railroad managers than ever before.

Third, the railroads have rendered and are rendering efficient and generally satisfactory service.

Because of this better understanding on the part of the public and with a continuation of efficient service, I am optimistic enough to believe that the legislatures and Congress will not be quick to pass additional regulatory statutes.

**NATION'S BUSINESS** grows international. One day's mail brought us the following subscribers:

Bergsma & Dijkers, Hengelo (O.), Holland.  
Léon Clerc, 5, Boulevard Malesherbes, Paris, France.

Guy T. Buttolph, Honolulu, Hawaii.  
Smolands Enskilda Bank, Jönköping, Sweden.  
H. Pain, Ets. Phillips & Pain, 1, rue Taitbout, Paris, France.

P. Sargent, 11 Coldfall Avenue, Muswell Hill, London, N. 10, England.

H. Hansen, Editor, Jyllands-Posten, Aarhus, Denmark.

Aalborg Diskontobank, Aalborg, Denmark.  
Herbert, Wagg & Co., Ltd., South Sea House, 37, Threadneedle Street, London, England, E. C. 2.

W. A. Knol, M. I., Stadhouersplein 9, The Hague, Holland.

Banque Federale, Geneva, Switzerland.  
Carl Friederichs, Klosterstern No. 8, Hamburg, 37 Germany.

There is nothing I should like better than to meet each one, to ask him what he found in the magazine that interested and what he didn't find that he had hoped for.

The very next day came an unusual request. A new subscriber from Belgium sent \$8 for a three-year subscription, with this request:

Enclosed \$8. Please give change, 50 cents, to a poor man in the street.

It's a sobering thought for an editor that he must try to interest in one issue a shoe retailer in Iowa, a manufacturer of tools in Massachusetts, a cotton exporter in Texas, a banker in Sweden, a maker of pumping machinery in Holland, a sugar grower in Honolulu.

**THE LAST** batch of paragraphs from Fred Kelly bore the heading, "Meddybemps, Maine." This caused more laughter in the office than anything Mr. Kelly has written for a long time.

**I**N CHARLOTTE, North Carolina, there is an institution known as Brockmann's Company, a combination bookstore and office-supply house. It also conducts a literary column in a Charlotte newspaper and we simply can't help saying that their book reviewer is a

*Lift the corner!*



*Make this quick and easy test—proof of everlasting strength*



**THIS  
MAN  
ALWAYS  
SPECIFIES  
SAMSON  
TABLES**

**H**E STANDS for all careful buyers! He wants the first cost of his office equipment to insure permanent service. He realizes that a well-appointed office is essential to the conduct of his business.

You will prefer Samson Tables in your offices. You will approve the substantial dignity, the rich beauty, the everlasting strength, which have earned for them enthusiastic acceptance everywhere. The exclusive features of Samson construction produce the finest office tables in the world. Make this simple test. Just lift the corner of a Samson Table. You will get an instant impression of rigid, unyielding strength—of compact, close-knit construction—that is thoroughly convincing.

A splendid variety of designs in American Walnut, Mahogany, or Standard Office Oak finishes make it a simple matter to meet your taste exactly. Always find the Samson Trade-Mark, for there are no tables "just as good" as Samson Tables.

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511 Madison Street

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person of excellent judgment, for at the top of the column we find:

For some time now, we have had in mind mentioning NATION'S BUSINESS, a monthly magazine published by the United States Chamber of Commerce at Washington. The excellence of this magazine reminds us to say that this is the most helpful, and, therefore, interesting, magazine reaching our desk. In addition to the many other good things we might say of this magazine it occurs to us that one of its most attractive characteristics is the subtlety with which it applies that all-saving grace, a sense of humor.

From Sherbrooke, Quebec, in the same mail, comes this letter from an insurance official:

Your magazine contains many splendid articles—and it also is absolutely fearless in its criticism, which I like. It is fine to read an unbiased opinion of different matters of interest—pertaining to the life of our country.

"YOUR insurance articles remind me of a conversation I once heard," writes James H. Collins, from New York City. "A young salesman was protesting: 'But I wouldn't like to sell life insurance—something that's peddled around among your friends!' Whereupon the New York general agent who thought he might make a good recruit, quietly explained certain things about life insurance as it is today."

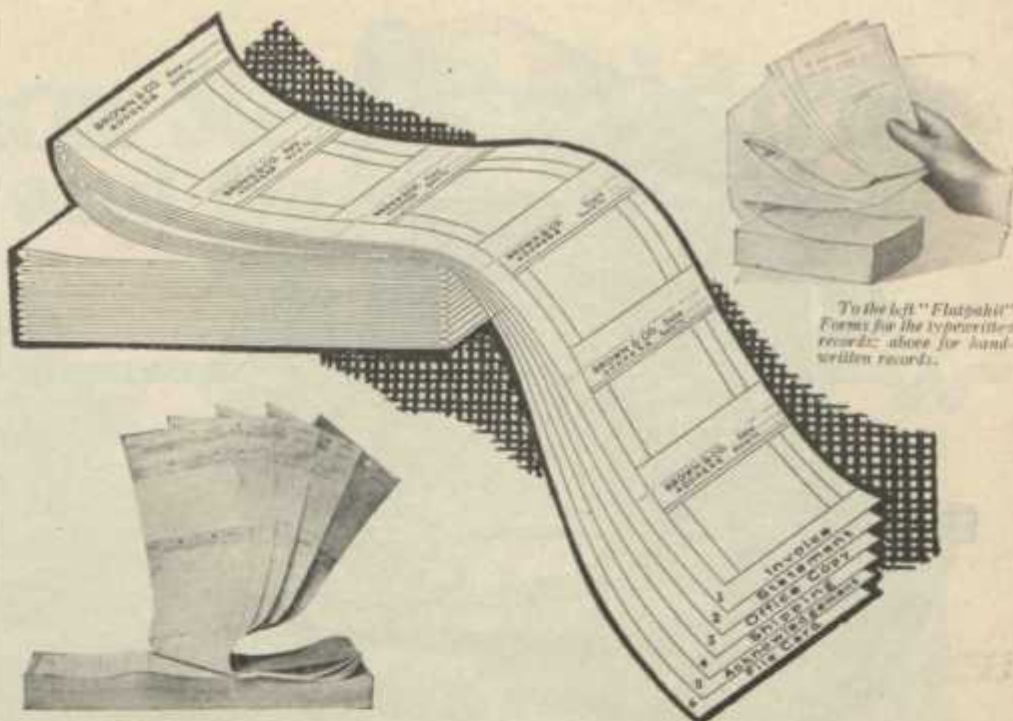
It is being written in a volume beyond the wildest dreams of insurance men who can think back twenty years. The average policy used to be one or two thousand dollars—now it is ten thousand. Poor people who paid a dime or quarter weekly on a small industrial policy are now in "ordinary." In 1900 there was \$8,562,000,000 insurance in force in the United States. Today there is more than \$60,000,000,000. In the next twenty-five years, at the present rate of growth, the total will have risen to \$360,000,000,000!

There are several sound business reasons for this growth. First, income and inheritance taxes—men who fancied they had provided for their families with insurance, now find that their policies will often be wiped out in the event of death. This is actually happening to older men who do not realize the new conditions, but the younger generation is taking thought and protecting its estate with life insurance. The war risk insurance sold the idea of protection to millions of young men who enlisted or were drafted. The great influenza epidemic during the war, while putting upon American life-insurance companies the greatest strain they ever had, made millions think of protection. Finally, life has been put into life insurance through the policies written for business protection. A corporation, for example, has certain key men so valuable that it insures against the loss of their services. A policy for \$100,000 was lately taken out on the life of Mr. Charles L. Bernheimer, well known in New York for his work in commercial arbitration; the premiums are paid by associates, and the policy protects the Chamber of Commerce of the State of New York against the loss of his services.

IN A RECENT editorial something was said of the effort made by the Chamber to help the small manufacturer in his struggle to live in the face of the competition of larger plants and combinations of plants. Here is part of a letter from a woman who is making aprons and house dresses, which gives a human picture of the struggle of the small manufacturer:

I subscribed for the NATION'S BUSINESS because I wanted to know more about business; but when I read, in your February issue, an article on page 37 about the "product of convict labor," and another on page 87 about the "peddler evil," it was like a slap in the face.

If it wasn't possible for me to sell my product through agents, I would, or could, starve to death, for all the merchants would care. They won't even look at, let alone buy, my better-made prod-



## Save in writing Multiple Copies whether handwritten or typewritten -for every kind of business

In some department of your business multiple copies are being used. Whether these be handwritten or typewritten they can be handled quicker, easier and more accurately with "Flatpakit" Forms.\*

"Flatpakit" Forms\* accomplish accurately in one operation results usually taking three to six. They are being used by many of the largest concerns in the country and in every line of trade.

### No Shifting of Carbons

Carbons are interleaved but once for scores of multiple sets. You can have as many copies as you need in one "Flatpakit." After the first set there is no further interleaving of carbons. All the operator does is write. After one set is completed the next set of forms is ready for the next entry.

### Five out of six operations are eliminated in making typewritten, manifolding forms.

Write for complete information. You owe it to yourself and your business to investigate fully these "Flatpakit" Forms—the latest and most improved forms both handwritten and typewritten records. Upon request we shall be glad to explain just how "Flatpakit" Forms can be fitted into your particular needs. Fill in and send us the coupon below or write a letter telling us your story.



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C-302  
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☐ Send me literature describing fully "Flatpakit" Forms.  
☐ Tell me how "Flatpakit" Forms will fit into my particular line of business for forms

☐ typewritten  
☐ handwritten

Name.....

Address.....

City..... State.....





## The Motor That Fights Waste

**Y**OU men who follow keenly the costs of motor transportation know how often profit or loss lies in *that last mile-per-gallon*.

The builders of Wisconsin motors realize that *an extra mile or two per gallon* often spells operating profit instead of loss. Particularly when dealing with heavy-duty bus or truck motors, on account of the large quantities of fuel and oil used.

These highly developed motors do deliver that extra mileage—consistently—over all other types of engines.

At the convenience of interested executives, Wisconsin will demonstrate these facts conclusively.

Write for the brief, interesting data.

Wisconsin Motor Mfg. Co., Milwaukee, Wis.

*Wisconsin Motors are built in a complete line of Sixes and Fours, with a power range from 20 to 105 H.P.*

# Wisconsin

CONSISTENT

**MORE  
POWER**



*When writing to WISCONSIN MOTOR MFG. CO. please mention Nation's Business*

uct, because they can buy cheaper from unscrupulous manufacturers, who are flooding the market with cheap prison-made trash that isn't fit to carry home. And the deluded housewife thinks she has a wonderful bargain, until the garment has gone through the tub two or three times. The merchants claim they must have a commodity that has a quick turnover, which means just one thing: "It will wear out quickly, and they can sell her another, soon." Is this the right attitude?

My little shop is only a drop in the bucket of the manufacturing trade that sells through agents, but if that drop can make a big enough splash to create a little sympathy, I will feel that my protest hasn't been in vain.

I, too, have capital invested in real estate and stock, and pay taxes. There is no end to the different kinds of taxes to pay; and most of my agents are those who would have no work but for something like this; and these poor souls must live, too, as well as myself and the dear merchants who don't seem to think anyone else has a right to sell to live but them, though they are profoundly thankful when we hand over some of our peddlers' hard-earned money to help city and state and road improvements and everything else that they can think of for which to take up a collection.

It's just pure cussed selfishness, if you ask me.

**THE RUBE**—whiskers—provincialism, were terms that recurred constantly in one of those more-or-less futile after-luncheon discussions in New York. The conversation was led by a typical New Yorker born in Indiana, and the remarks were good-naturedly directed at a visitor from the trans-Mississippi hinterland—a native of the metropolis.

"I have listened to all of you on the rube and the whiskers of the West," he said. "If there's any sporting blood left in you New Yorkers from Iowa and Nebraska, here's your chance. Briefly I'll bet a 3-year-old fat steer against a suit of clothes that the per capita yield of whiskers right here on Manhattan Island is five times greater than that in any state west of the Missouri River.

"Same bet that there are more real rubes, come-ons and fall-guys in this town in proportion to population than there are in Billings, Mont., Cheyenne, Wyo., Medicine Lodge, Kans., or pick your own town.

"Third, affecting provincialism, I'll undertake to prove that one out of every five inhabitants of this cosmopolis thinks Al Smith is President, that Albany is the national capital, that Los Angeles is in Mexico under Spanish rule and that the Great Open Spaces out there beyond Buffalo are pretty generally in the hands of the Sioux under a United States mandate. Gentlemen, I can't spare any steers and I need three suits of clothes. How about you?"

"You'll buy your clothes, you sure-thing better," said the Indiana New Yorker. "Waiter! Come on with the check."

**A DETROIT** subscriber writes:

Consider, O fellow members of the Fewer Laws Club, our State Representative Darin. He fathered the law which provides that five days must elapse between the application for a marriage license and the ceremony. Last week he married Miss Marie Deseppo one hour after getting the license. Mr. Darin explains:

"We arrived in Buffalo Sunday night, got the license Monday morning and were married immediately.

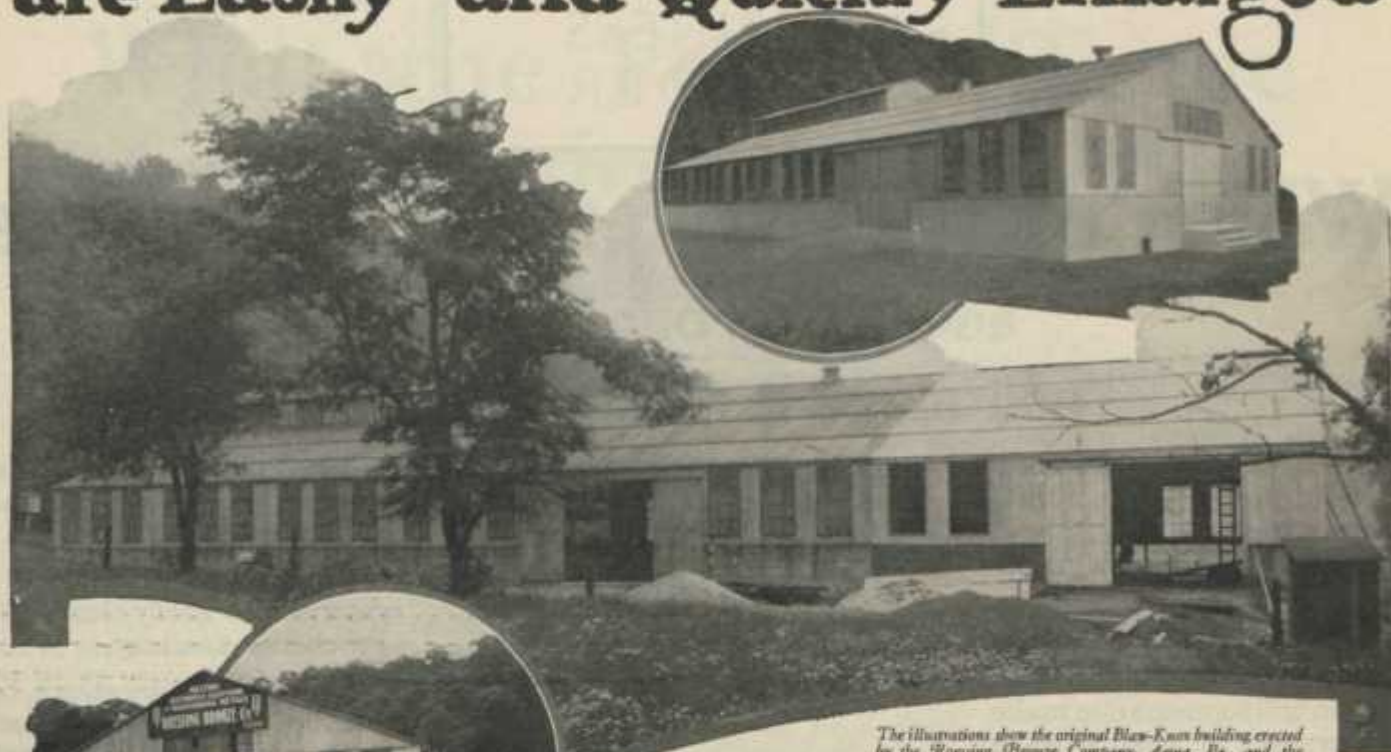
"I still believe in ordinary circumstances a couple should wait five days after applying for a license, but ours was not an ordinary case."

Yes, yes! (loud cymbals with full brass accompaniment)—"There ought to be a law" (pianissimo, flutes and strings) for the other fellow.

*M.T.*



# Blaw-Knox Steel Buildings are Easily and Quickly Enlarged



The illustrations show the original Blaw-Knox building erected by the Rensselaer Beverage Company, Acuna, Pa., and the same building with its recent addition. The original gable end was used intact on the end of the additional structure.

**A**DDITIONS to Blaw-Knox Steel Buildings are made by simply ordering new frame, side-wall and roofing sections to take care of the increased envelope of the structure. Not a single part of your original building is torn down, damaged or lost; even if the modifications call for a radical change in shape.

This saving in cost of making additions, or in reconstructing, where Blaw-Knox Standard Steel Buildings are originally erected, is due to the many unique features of Blaw-Knox designs which give complete flexibility to your building operations. Blaw-Knox has become standard throughout the country for all one-story manufacturing needs, particularly where future business expansion is anticipated.



Having the same effective life as the average masonry, as well as being firesafe, wind-and-weather proof, they combine all the practical features of concrete or brick buildings, without their high initial cost and without their quick depreciation when the modern requirements for flexibility and economy are considered. The wide range of utility of the Blaw-Knox Time-tested building for all industrial and commercial uses, is everywhere leading to its preference over fixed construction.

Furnished in any size or shape to your specifications—at a moment's notice—and for immediate delivery to any point.

Write for Descriptive Literature

**BLAW-KNOX COMPANY, PITTSBURGH, PA.**  
632 FARMERS BANK BUILDING

District Sales Offices  
NEW YORK CHICAGO DETROIT CLEVELAND PHILADELPHIA  
BUFFALO BIRMINGHAM BALTIMORE 516 UNION BLDG. 231 No. 12th St.

WHICH TYPE SUITS YOUR NEEDS?

TYPE B

TYPE C

TYPE BB

TYPE D

TYPE BXB

TYPE E

Check desired type—Clip and mail with name and address

# BLAW-KNOX

All purpose, one story Buildings



# IMAGINATION

## THE BUSINESS BUILDER

# Which of these twenty advantages added to your product will make it more saleable?

**I**N these days of intensive competition, those manufacturing businesses are most safely equipped which maintain two invisible departments:

One:—the Department of Discontent, whose province is to ask, "How soon will someone else make a better product . . . and, when a better one is produced, what will happen in our markets?"

The other:—the Department of Imagination, whose duty is to say, "We will now find the way in which our product can be improved and its saleability increased."

To manufacturers who maintain these departments — we suggest this: "Investigate DUCO'S ability to improve other products — and learn what it may do to improve your product."

Just because your motor car is enduringly finished with DUCO, or because the new furniture in your home is beautified and protected by it, do not think of DUCO merely as an automobile or furniture finish.

It is applicable to practically any article of wood, metal, fibre or composites, and it adds definite new values to those products.

DUCO gives to every product on which it is used a richly lustrous surface, either transparent or colored, with the following additional qualities:

It dries so quickly that articles finished with it can be packed almost immediately.

It is astoundingly durable. It is waterproof—easily cleaned—non-absorbent—sanitary.

It is not affected by steam, boiling water, alkaline soaps, heat or cold, gases or oils, perspiration, salt air, dust or repeated cleaning.

DUCO will not get sticky from heat or handling. It will not print, chip, crack or peel. It is hard to scratch.

DUCO may be had in a flat satin-like effect or a rich gloss.

Its quick-drying quality saves finishing time, labor time and factory space. It makes ovens or other artificial drying methods unnecessary. It reduces the cost of finishing, and . . . it speeds up production!

Because of these distinctive improving-values, DUCO is already used by most

of the larger manufacturers of automobiles, by more than seventy furniture manufacturers, and by hundreds of manufacturers of diversified products.

In order that you may know whether one or more of these new values may be added to your product, we freely offer the assistance of a DUCO Finishing Engineer. Write for a manual of information. E. I. du Pont de Nemours & Co., Inc., Chemical Products Division, Parlin, N. J., Chicago, San Francisco.

# DUCO

Unlike anything else . . . . .  
it is **DUCO**, the  
beautiful enduring **FINISH**

There is only ONE Duco... DU PONT Duco

DU PONT

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# What the Federal Trade Commission Did to Me

By HARRY V. ELLIOTT

Vice-President, The Charles H. Elliott Company, Philadelphia

**I**N WHAT follows I have sought to set forth a straightforward account, free from malice, of the experiences of my company, The Charles H. Elliott Company, with the Federal Trade Commission.

The story really goes back to that period of wild business which followed close upon the World War, a time when manufacturers were endeavoring to replace depleted organizations. Our company was subjected to competition from a former employee, who had formed a company of his own. The man, having been in charge of one of our selling departments, was familiar not only with the methods of sales employed by this company, but also with the personnel of our office force and with our factory departments.

In the spring of 1919 he induced the foreman of one of our departments, several of our workmen and one of the assistants in the sales department to join his own organization.

The department of our business thus affected was engaged in the manufacture of pins and rings for sale to schools and colleges. The new company, we charged, proceeded to issue a catalog based on the work produced by us, illustrating as their own articles which we had manufactured. The Elliott Com-

pany entered suit, asking for an injunction restraining the offending company from issuing catalogs and using other information of a confidential nature which they had secured while employed by us.

This suit resulted in a complete victory for the Elliott Company, the court holding that the catalog published by the offending concern was a wrong done to the purchasing public and a wrong done to this company and was unfair competition. Further, the offending company was instructed to destroy all catalogs and to pay the costs of the suit.

## Catalogs Were Destroyed

**A**N APPEAL was taken from this decision to the Supreme Court of Pennsylvania, Eastern District, which in 1921 sustained the former decision. The offending catalogs were destroyed, and the costs were paid.

Then the new company appealed to the Federal Trade Commission, claiming unfair con-

petition, bribery, etc. This case was listed as Docket No. 1000 and got wide-spread publicity.

[The text of the charge against The Charles H. Elliott Company, dated March 30, 1923, is printed below. This text was not included in Mr. Elliott's article.—THE EDITOR.]

**PARAGRAPH ONE:** Said respondent (The Charles H. Elliott Company) is a corporation organized under the laws of the State of Delaware with its principal office and place of business located in the City of Philadelphia, State of Pennsylvania. It is now and at all times hereinafter mentioned, since July, 1917, has been engaged in the manufacture of jewelry, stationery, printing and engraving products suitable for use by high schools, colleges, universities and choir students, and in the sale of said products to high schools, colleges, universities and organized classes of students attending said institutions, and causes said products, when so sold, to be transported from respondent's place of business in Pennsylvania through, into and to other states of the United States to the purchasers thereof. In the course and conduct of its said business said respondent is in competition with other manufacturers and distributors of the aforesaid commodities to the same class of trade in interstate commerce. The respondent is one of the large, if not the largest manufacturer and distributor of aforesaid commodities to high schools, colleges, universities and students attending such institutions.

**PARAGRAPH TWO:** In the course and conduct

A SLIGHT MISTAKE!  
WE FIND THE MAN HAS  
DONE NO WRONG!



After the crowd has gone—



of its said business said respondent employs agents who solicit orders from said educational institutions and who call upon students who have been appointed chairmen of committees of organized classes and/or other students authorized to make purchases of class pins, rings, dance programs and similar commodities for the purpose of soliciting and/or bidding for the order, and as is customary, said respondent and its competitors submit samples and suggest designs from which selections are made and orders are given by said students. After the orders are given the agents of said respondent or its competitors, as the case may be, thereupon send said orders to the factory where dies and/or plates are made according to the designs selected by said students from which the said commodities are manufactured and later transported to the purchasers thereof, as aforesaid.

**PARAGRAPH THREE:** Said respondent, in the course and conduct of its said business, as described in the foregoing paragraphs of this complaint, and during the three years last past, with the intent and purpose of suppressing and lessening competition in the sale of the said commodities manufactured and sold by it, as aforesaid, has adopted and employed the following methods of competition in obtaining said orders for said commodities from organized classes of students attending educational institutions throughout the United States:

(a) Offered to give, and has given from time to time and still offers and gives, cash commissions or valuable gratuities to said students who are committee or class officers authorized to purchase said commodities in order to induce said students to purchase the said commodities from respondent or to recommend such purchase to their respective committees and/or classes, or as promised rewards for having induced such purchase by their respective committees and/or classes. Said commissions or gratuities were and still are given to said students without the knowledge or consent of the respective committees or classes they represent and the effect thereof has been and still is, to secure preference for respondent's said commodities over and to the exclusion of similar commodities of said competitors of respondent;

(b) Offered to give and has given, and from time to time still offers and gives, substantial and unwarranted reductions in price and also valuable gratuities to students who are class or committee officers authorized to purchase said commodities, in order to induce said students to cancel contracts and/or orders already placed with said competitors of said respondent for said commodities and to induce said students to purchase said commodities from said respondent. Said offers were and are made by said respondent after said competitors have prepared, at considerable expense, dies from which to manufacture said commodities and in some instances even after said commodities were actually manufactured by said competitors;

(c) Circulated, and from time to time still circulates among said students representing said committees and classes in the purchase of said commodities, false, misleading and disparaging statements concerning said competitors in order to lead the said students to believe that said competitors were not reputable and responsible business concerns, with the result that in many instances bids were not allowed from, and orders were not placed with said competitors.

**PARAGRAPH FOUR:** The above alleged acts and things done by said respondent are all to the prejudice of the public and competitors of the said respondent and constitute unfair methods of competition in commerce within the intent and meaning of Section 5 of an Act of Congress approved September 26, 1914, entitled, "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

A representative of the Federal Trade Commission spent several weeks in the offices of our company going over all records.

Even the records of a confidential nature were submitted to him, and no obstacle was placed in his way. On the contrary, by advice of counsel, every assistance was given to him to get at the facts in the matter. His attention was called to the decision in the Court of Common Pleas, County of Philadelphia, and the subsequent decision of the Supreme Court, Eastern District of Pennsylvania. One of the charges, that of misbranding of goods, and another, that of slander, could have been tried in the Commonwealth

seem that if the Commission is not so empowered to decide as to what cases are worthy of trial and what are not, then a defect exists in the law governing the Commission's action. It does not seem to the writer that the Federal Trade Commission should handle those cases with which the courts are already prepared to deal and which do not involve broad questions of public policy. It should not concern itself with the private quarrels of business concerns. It should leave to the courts all matters of general law and private cases of unfair competition.

The particular charge brought against The Charles H. Elliott Company, the charge of misbranding of goods, is fully covered by a very stringent law in the Commonwealth of Pennsylvania. That is, the marking of all jewelry must be sustained by the actual karat of the article itself and a ten-karat ring so marked must assay ten karat.

### At a Disadvantage

**T**HERE is also ample law in this state which protects a firm against the circulation of false statements by a competitor—in other words, against slander or libel. However, a corporation bringing charges of this nature against another firm in the State of Pennsylvania would be liable for a counter suit in event of the charges not being proved. By making these charges to the Federal Trade Commission no counter suit is possible. Thus, the defendant, in a case of this character brought to the Federal Trade Commission is at a decided disadvantage.

The plaintiff pays no costs in the matter. The Federal Trade Commission sustains the burden of all proof. The name of the complainant is not divulged until the case is being tried. This is also a decided advantage to the firm making the appeal. It seems to the writer that questions which come before the Commission should be handled in the way that years of court practice have shown to be effective, economical and just—that is, complaint should be filed by the complainant based upon affidavits and exhibits.

If the Commission from these affidavits and exhibits finds that the complaint is well founded, it should then allow the complaint to be filed. Had this been done in the case of The Charles H. Elliott Company, the case would not, I feel, have had to be tried, because a careful perusal of the facts, affidavits and exhibits would have shown what the Commission finally discovered, namely, insufficient evidence of proof.

In this way the Commission would not be in the position of filing the complaint itself and so making in their opinion a formal approval of the complaint, as is now the case when the Commission files the complaint.

The writer understands that the publicity feature of the complaint so filed has been done away with by a recent ruling of the Federal Trade Commission, and this is a step in the right direction. As it is, however, the general public takes the complaint filed by the Commission as an official condemnation of the acts complained of, and this works a hardship on the defendant. Further, it seems to me as a business man that more care should be taken in the legal work by the attorneys attached to the staff of the Commission.

In the case of The Charles H. Elliott Company, at the first hearing in the City of Philadelphia, the president of the firm which made the complaint sat by the attorney for the

### IN READING this article, two things should be borne in mind:

First, that many of the things of which Mr. Elliott complains have been done away with by recent rulings regarding the procedure of the Commission.

Second, that a change in the make-up of the Commission might renew old methods of unfair publicity. Recently, Commissioner Thompson, in discussing a proposed combination of bread manufacturers and the Commission's action in the matter, said:

"I and Commissioner Nugent are of the opinion that the failure to make public the complaint after service upon the respondent was contrary to the spirit of the law as provided in the Clayton Act and because of this failure, the public has been deprived of its rights in the premises."—The Editor

of Pennsylvania under existing laws without appeal to the Federal Trade Commission.

From April, 1923, until the final dismissal of this case, July 1, 1924, by the Federal Trade Commission, the charges made were used by the complaining competitor against us in their sales efforts. Not only did this competitor make material out of the charges brought before the Federal Trade Commission and still unproved, but other competitors used the information to our detriment.

Many letters were received requiring lengthy explanations due to the publicity given the matter, and in some cases the competition succeeded in getting business that our house would otherwise have secured by giving the prospect an erroneous idea of the situation.

### Case Was Finally Dismissed

**H**EARINGS were held in Philadelphia, Boston and Washington, D. C., to which witnesses were brought at considerable expense to the Government. The Charles H. Elliott Company incurred an expense of about \$2,500 in cash outlay for attorney's fees, traveling expenses, etc. Presumably the Federal Trade Commission spent as much or more.

The case was finally dismissed for lack of proof by the Federal Trade Commission on July 1, 1924. The writer of this article never saw the appeal that was made to the Federal Trade Commission in this case, but it was perhaps so worded as to make it plausible.

[The text of the order of dismissal, dated July 1, 1924, follows.—THE EDITOR.]

The proceeding coming on for final determination, and the Commission now being fully advised in the premises,

IT IS ORDERED that the complaint in the above proceeding be and the same is hereby dismissed, without prejudice.]

Whether or not the Commission has authority to use its own judgment in the rejection of cases, I do not know; but it would



Federal Trade Commission and had full access to important papers which the Federal Trade Commission had taken from our files. This is certainly contrary to any idea of fair treatment.

When the attorney representing the Elliott Company asked who this man was, he was informed that he was assisting the attorney for the Federal Trade Commission in this matter.

Further, it would seem that investigation in the field on the part of the Federal Trade Commission should be stopped. The burden of building up of a prima facie case should be put upon the complainant as in any court of law. As the matter worked out in this particular case, the Federal Trade Commission secured the evidence, acted as prosecutor and as judge.

It would seem that a better mode of procedure would be for the Commission to sit as any ordinary court, to listen to and determine any dispute bearing on unfair competition that is of broad and general public interest. The parties to the case should employ their own counsel and be able to get quick and inexpensive justice with the fair and simple procedure that is the rule in any court of law.

The writer does not believe that it was ever the intention of Congress to make the Federal Trade Commission an instrument of persecution, but that it can be so used is evident from the facts set forth herein and from the records of this case.

### Small Firms Need Protection

QUOTING from *The Nation* under date of September 16, 1925, an article entitled "Boring from Within," by Senator George W. Norris, we read the following:

The same principle applies, and the same course has been taken in the appointment of Mr. Humphrey as a member of the Federal Trade Commission. He is a courageous and able executive officer. He has held public office for many years, and we are not left in doubt as to his attitude on public questions. During all his public service his viewpoint has stood out prominently; he has been a fearless advocate of big business in all lines. His record discloses that he can have no sympathy with the small business man who is protesting against unfair competition of trusts and monopolies. His appointment has changed the viewpoint of the Commission. It now stands three to two in favor of the big-business idea.

What is the object of the Federal Trade Commission? The law was passed because it was thought that there was need of affording protection to the small business man against the monopoly and the machinations of trusts and combinations. Monopolistic concerns had, by unfair methods and competition, driven their competitors from the field, and the people of the country paid the expense in increased prices. Since Mr. Humphrey's advent this Commission has decided that much of its business shall be transacted in secret. If the unfair business man goes before the Commission and makes a secret promise that he will refrain from his illegal acts, the entire matter is dismissed, no record is made, and the public gets no idea or knowledge of what actually transpired or happened. This means that a secret tribunal sits in judgment where the interests of all the people are involved and where millions of dollars are at stake.

The records of The Charles H. Elliott Company in the case above described are exactly contrary to the Senator's idea of the small firm needing protection. So far as we have been able to ascertain, in every state in the Union the small firm has all the protection it needs under existing legislation.

A study of the various cases before the Federal Trade Commission does not substantiate the thought that they are protecting the general public nor that they are protecting

the poor, struggling small firm against monopoly and combinations. That the changes in the Federal Trade Commission have been detrimental cannot be proved by Senator Norris or any one else. The facts are so much the other way that further changes would be welcomed by business in general.

The thought still persists in the minds of most thinking men in business today that the Federal Trade Commission was established with the purpose of achieving certain

publicity for the benefit of certain politicians who wanted to make a grandstand play of the facts developed in these investigations. They feel, too, that for the amount of money expended and the time devoted to these cases, a minimum return in actual benefit has resulted to business in general. That there is room for vast improvement in the conduct of the Federal Trade Commission must be apparent to any one who studies the functioning of this body.

*Above is a victim's account of the result of unfair publicity by the Commission. Below is a summing up of the present struggle to restore "those good old times."—Editor*

## Militant Minorities in the F. T. C.

DISSENTING appears to cause special joy to American citizens after they become members of the Federal Trade Commission. Dissenting began in the Commission pretty soon after it was organized, in 1915. By August, 1925, it had the characteristics of an epidemic.

Perhaps the chairman was responsible for the abundance of dissents that burst forth in August. In a case about which the Commission's decision was published early in the month, the chairman voted with the two later-day dissenters, causing them to become a part of the majority.

Indulgence in dissent, however, takes strong hold on the man. The two commissioners who had been dissenting consistently were not to be cheated out of an opportunity. Finding themselves in the majority and bereft of grounds for objection on the main issues, they proceeded to dissent about seventeen words in a document of some nine thousand words,—the so-called "findings of fact," in which the Commission records all manner of things pertinent and impertinent to the main question, against the chance some of them will come in handy in the event the Commission has to go to court.

The two members of the Commission who in recent months have joined the chairman to form a majority forthwith filed a dissenting opinion of their own when they found the tables were turned and they themselves were in the minority. That made four dissenters in a body of five members. It remained only for the chairman to measure up to the occasion. If he had perceived a chance to dissent, even though he dissented over a mere question of taste in punctuation, the Commission would have attained the unique distinction of having every one of its members dissenting in the same case.

The two minority members of the Commission in this case filed the reasons for their dissent. This makes a total of five dissenting opinions filed in the Commission's records since changes in rules and procedure, adopted by a majority, were announced on March 17 and augmented at the end of April. The changes in procedure are substantial. Under them the defendant in each case is given a chance to be heard before the Commission's complaint is issued against him.

If the defendant is willing to enter into a stipulation, which can be used against him if he in the future returns to the practice, the Commission's elaborate procedure is not to be followed but the matter is considered as settled without publicity, unless the Commission considers that the public interest in the subject matter requires another course. If the question is of the sort which the parties can take to the courts, the Commission will not act in the absence of a showing of public interest. The Commission now

makes public at the same time with its complaint, if it issues a complaint, the answer which the defendant has filed.

These changes in procedure gave rise to dissenting opinions from the minority members. As the majority proceeded to act upon old cases, dismissing them in accordance with the new rules, the minority indicated a dissent each time and in three instances gave their reasons at length.

Besides, on October 5 they united in making public a complaint which the Commission had not yet published, taking the position that events since April and while the defendants were being given opportunity for hearing and answer, demonstrated the propriety of returning to the old rule, of publishing a complaint at once and before the defendants answered. Finally, the minority gave their reasons in one case in which the majority decided not to issue a complaint.

In two instances these dissenting officials of a minority of the Commission called forth vigorous counter-statements from the majority. Curiously enough, after the Commission had for ten years maintained a policy of not giving the reasons for its decisions, it has now through these dissents made a substantial beginning in opinion-writing.

In spite of dissents, the Commission has made progress under its changed procedure. On March 1 it had on its dockets 563 applications for complaints, 215 cases at the stage of preliminary inquiry, and 272 formal complaints. On October 1 these numbers had been reduced to 481 and 181 and 220 respectively.

The revised rules of procedure are not the only source of divisions of opinion within the Commission. On October 5 the two commissioners who have been dissenting concerning the new procedure announced their difference from the majority about the propriety of asking the Attorney General of the United States to give an opinion as to the Commission's powers. The majority sought the Attorney General's interpretation of the law which governs the Commission in its expenditure of money. The minority contended such a course is improper, on the theory that the Commission is an independent body. According to this reason, the Commission should make its own interpretation of its own law.

By way of adding to the complexity of things, the Attorney General seems to have consulted the Comptroller General, who holds the official purse strings. It is related that the Comptroller made a suggestion which had not occurred to anyone else. Meanwhile, the Bureau of the Budget served notice that expenditures by the Commission should be reduced by \$100,000 and more. If the resulting drama were cast for stage performance, every rôle would be a leading part.



# The \$42,000,000 Postal Deficit

By HARRY S. NEW

Postmaster General of the United States



Postmaster General  
Harry S. New

"ONCE upon a time" there came into Congress a man with a bright idea. "Spending money," said he to himself, "is always popular, while paying taxes is not. Therefore, I will vote for every appropriation bill and against every bill levying a tax."

And, the fable goes on, he followed out his principle and became the most popular member of Congress.

This, as the Postmaster General points out, is somewhat the policy that Congress has pursued as regards the Postal Department. It is quite prepared to raise the wages of postal employees, but far less willing so to regulate the revenue that those wages can be paid.

Mr. New sees a grave situation in the Post Office business of this country. Are we to run it as a self-supporting branch, or shall we face constantly increasing deficits?

Mr. New also undertakes to answer the question, which he says is most commonly hurled at him, "Why not apply the methods of the United States Steel Corporation to the Post Office Department?" The answer, Mr. New says, is that the law won't let him.—  
The Editor

Corporation?"

It is at once conceded that the great Steel Corporation is one of the best-managed enterprises in the world. Its methods may well be adopted by managers wishing to make any concern a commercial success. But, with due respect to those who offer this advice, there can be no possible analogy between the United States Steel Corporation and the Post Office.

Judge Gary and his board of managers can fix their own rates of pay to employees; they can adjust prices of their product to meet increases or reductions in expense; they have the widest latitude possible under approved business methods in the disposal of their own revenue.

The Postmaster General may not even spend the money that comes in in the form of postal revenues. Every nickel of it must be

promptly paid into the Treasury of the United States, which in turn pays post-office bills upon checks and warrants drawn by the Postmaster General.

The last salary act of February 28, 1925, immediately increased the expenses of the Department by \$68,000,000. Knowing the number of our employees and the rates of pay provided, it was a simple thing to arrive at approximately exact knowledge of what this increase would amount to. Unless this were met, at least in part by increased rates of postage, it is perfectly plain that every cent of it must come from the public treasury.

It has been and still is the effort of the Administration to reduce the tax burden. Obviously this can't be done when the public departments live beyond their means. Therefore, unless postal revenues were increased, the Department must have been left a delinquent and an obstacle to progress in debt reduction.

## No Criticism to Make

NO QUESTION is raised as to the justice of the increase in salaries, but no matter for what the money was to be expended it had to come from one of two sources, either the general treasury or from those who get the service.

The Postmaster General, backed by the opinion of the best expert advice obtainable, made recommendations to Congress as to the sources from which this money could be obtained. It was thought that these recommendations, if adopted, would yield \$64,000,000 and with relation to receipts and expenses would put the Department just about where it was before the passage of the bill.

Congress did not approve of these recommendations but, for the most part, adopted others of its own suggestion. I have no criticism whatever to make of Congress and offer none. It is apparent, however, that the increases given will not begin to yield the amount necessary to meet the increased expense.

Had there been no postal legislation at all by the last Congress, the Department would have nearly balanced receipts and expenditures for the fiscal year which ended June 30 last. Under the new Act, the pay features were made retroactive to January 1, while the new postage rates did not become effective until April 15. The increased pay for those six months amounted to about \$34,000,000, and the deficit for the year now stands at about \$39,000,000.

Post-office business fluctuates just as do

THE POST OFFICE is the one executive department of the Government with which the whole public comes in daily contact, and yet, except as an occasional mishap directly affects the individual, but little attention is paid to its affairs.

The recent discussions in Congress of postal salaries and rates, coupled with presidential vetoes and subsequent congressional inquiries in many cities, have served to attract the public notice and, for the first time in recent years at least, the fiscal affairs of the Department have been made the subject of much comment and not a little advice. Many newspapers and many individuals have offered suggestions, most of which center upon the one phrase, "Apply business methods to its management."

## Belongs to People

THE Post Office Department is a public institution and belongs to the people, and those charged with its direction truly welcome every suggestion that is made by competent authority and in good faith. In the instances where this advice is accompanied by suggestions for changes, however, it usually develops that the editor or the individual offering it is not informed as to the limitations under which a Postmaster General labors.

The Department has expanded until it is now spending more than \$700,000,000 a year, the estimates for the next fiscal year, which have just been sent to the Budget, asking for the appropriation of almost \$750,000,000. The expenditure of every single cent of this vast sum must be done in accordance with the provision of some law.

Eighty-nine cents of every dollar of it is paid in salaries to employees, to transportation companies for carriage at rates that are absolutely fixed by statute and from which there can be no deviation, or for indemnities on insured parcels and other articles lost in the mails. Any saving that can possibly be effected must be made out of the eleven cents remaining of our post-office dollar after these fixed charges shall have been met.

It is my unqualified belief that, within the possibilities as thus described, the Department is managed with a scrupulous exactness and regard for safe economies that is not equalled in any great industrial corporation in the country.

Perhaps the advice most frequently bestowed is suggested by the query, "Why not apply the methods of the United States Steel



other businesses and changes may come that will affect estimates either way, but basing calculations on present income, it is fair to estimate the deficit for the current fiscal year at something like \$42,000,000.

For how much of our gross receipts are the new rates responsible? Again basing estimates on present rates of income, it is my belief that \$30,000,000 of our income is a very liberal amount with which to credit the new rates, and that any sum beyond this will come from the natural increase in business. Either the law must be amended to provide more adequate revenue or we must accept the deficit as an annual item of overhead chargeable against the Federal Treasury.

I do not believe that it should be the prime purpose of the postal administration to make it a self-sustaining feature of the Government, but it is certainly obvious to every business man that some regard must be paid to balancing a budget or disaster is certain.

### Business on a Pre-War Basis

THE Post Office Department is the only great concern of which I have any knowledge that is doing business on a pre-war basis. Except for a slight increase made on certain items of second-class during the war and which were not afterwards remitted, postal rates previous to this recent legislation were the same as they had been a dozen years ago. Postal service is about the only thing the business man gets for which he does not pay substantially more than he did before the war. Our postage rates are the cheapest in the world and our service the broadest.

Reverting for a moment to the advice to apply the methods of the United States Steel Corporation: What would its directors do if they found their prices were failing by \$40,000,000 to meet their expenses? They would do just as they have invariably done in times past—readjust their rates to make them pro-

duce a favorable balance. The Postmaster General can't do this but must go before Congress, where many men of many minds struggle with the subject. Under the circumstances, a result is produced entirely beyond the control of the Postmaster General or his well-informed assistants.

Much talk has been indulged in on the evils of franking privileges. We hear much of the millions of pounds of penalty matter carried for the other departments of the Government free and the franked letters and speeches mailed by congressmen. Beyond all question these privileges have been often abused, and this Department offers no objection whatever to being credited for the full amount of the cost of carrying it. Some of this service is very necessary and, so far as the Treasury is concerned, it is the merest matter of book-keeping whether they are charged against the Department in which they originate or are carried free. The cost of carrying all of it for the last fiscal year for which figures are available was \$6,571,950.89. If full postage were charged on all of it, we should perhaps be credited with around \$12,000,000.

It is a matter of general belief that the Government cannot carry on any feature of its business as cheaply as it may be obtained from private enterprise. That is for the most part true, but it cannot be said of those features of the Post Office Department over which its management has entire control.

Take, for instance, the Department's motor service. We have in this about 5,600 vehicles of all descriptions, at an annual operating cost of about \$15,000,000. The Department felt that a substantial saving might be made through inviting bids from transfer companies, and these were asked for in thirty-five cities with a view to substituting private service for Government service if the bids warranted. Bids were offered in twenty-seven of these cities. In every city the private bidder asked

more than the cost at which we were giving the service. The aggregate of the lowest bids received was \$1,050,803, whereas our own cost, including operation, maintenance and overhead in these cities, amounted to \$658,076, a difference of \$392,727 in favor of the Government.

### High Rents Boost Expenses

MUCH, too, is said about our rents. I believe the Government could save a great deal in this direction by owning its buildings, and that it should own them, but this a matter of gradual development. To build post offices wherever required would run into the billions, and this can only come with time. Everybody knows that rents were never higher than at present, and yet the Department has succeeded in shaving down its price per foot on leases from \$1.40, where it was in 1921, to a fraction less than 90 cents today.

An occasional reference is made to the alleged fact that the Department showed a surplus at the old rates in certain recent years. The fact is that the surpluses then shown were wholly fictitious. They were made possible by denying increased rates of pay to transportation companies, which the Interstate Commerce Commission said on appeal were wholly inadequate and granted the roads additional pay for those years which was met in 1921. This brought the deficit of that year up to the unprecedented sum of \$157,517,688.11.

The impossibility of describing the business of an institution of the magnitude of the Post Office Department in the course of a single article is at once manifest. In the foregoing, I have merely touched the high spots in response to the request made by NATION'S BUSINESS in the hope of getting before the American business man an idea of facts as they affect the management of this great business.

## Ads—An International Primer

STARTING with no more Spanish than a few such words as "hablar" and "hombre," but with a fairly comprehensive knowledge of American advertising slogans and the illustrations that accompany them, the casual tourist in the Caribbean countries of the Americas can accumulate a very fair Spanish vocabulary. He may even go so far as to pick up a little bit of the grammar and structure of the language, if he is diligent in the study of the familiar advertisements—familiar, that is, in all but language.

It requires no knowledge of the Spanish tongue to gather that "cuellos" means collars when the word is prominently displayed alongside the portrait of that well-groomed young man who has done so much to make Troy famous. Likewise with "medias," which is most certainly identified with hosiery by the lustrous and shining pictures that accompany it. That a "navaja de seguridad" is nothing more than a safety razor and that "tacones de goma" are just rubber heels is shown by the pictures that accompany them. It is easy enough to recognize automobile accessories under the guise of "accessorios," but it took the pictures again to indicate that "acumuladores" were just storage batteries.

At first the ingenuous tourist is likely to think that the phrase "se alquila" has something to do with alcohol, but he soon learns that it is just an innocuous "for rent" sign.

Anyone, I take it, could guess what "arti-

culos de baseball" are, but fishing tackle masquerading under the name of "artículos para pescar" is a little more obscure. Genuine hats of a certain well-known variety appear in the ads as "legítimos sombreros."

The familiar injunction to accept no substitutes appears as "No acepte otros—insista sobre." It is in the field of slogans that the student of Spanish through the advertising primer may make his greatest progress. The thrifty advice to "Compre un Ford y economice la diferencia" needs no translation. That a certain dentifrice "perfuma la boca, blanquea los dientes" seems obvious enough, also.

### Little Doubt of the Meaning

TO ONE familiar with the signs announcing forthcoming moving-picture attractions in the United States the statement that a certain picture is "Coming Pronto" is a dead giveaway of the meaning of the word pronto. There can be little doubt of the meaning of the tire slogan, "mas millas por dollar," or the tobacco statement, "esta tostado," or of that soft drink which is "deliciosa y refrescante."

It may not be quite so easy to see that the liniment which "mata dolores" is none other than the old friend who kills pain, or to recognize that hoary saying, "Good for old and young," in its Spanish equivalent of "Saludables en vejez y en la juventud." Bargain sales in Latin-America don't look un-

like our own, even though they are labeled "gran realizacion" or "liquidacion."

That theatrical favorite, "Peg o' My Heart," though, takes on a new and strange dignity when she appears on the bill boards as "Margarita mi Corazon."

The widespread advertising of standard goods, sold at standard fixed prices, is beginning to have the same effect on retail practices in Latin-America that it did in the United States. Prices of such goods are usually known quantities and buyer and seller are able to get together and complete their transaction without the interminable bargaining that seems to be part of much of the retail business to the south of us, as it was in the United States until a few years ago.

Beside the indirect effect of the advertising of standard-priced goods, there is a conscious and direct effort in at least one Latin-American city to establish retail business upon the "precio fijo" or fixed price basis. The joint Rotary Club of the composite city, Colon, Republic of Panama, and Cristobal, Canal Zone, is actively engaged in the promotion of the movement. To what extent it will succeed is problematical, one of the difficulties in the way being the United States tourist who seems to feel that if he obtains a concession from the price first asked he is getting a bargain. Regardless of that, United States advertisements of standard United States goods are a real force in the direction of standard prices.





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Fifth Avenue and 34th Street as it is today and as it used to be when this section of New York was a fashionable residential center. Sight-seeing buses and parades are barred from "the greatest retail street in the world," bank buildings and car tracks are not wanted. Everything possible is done by the "invisible government" to reserve Fifth Avenue for the shopper alone.



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## Invisible Government of Quality Street

By EARLE C. REEVES

the town grew. Even in this rich farm county the town folks became relatively more important, and the big expansion was to the south and west. Moreover, interurban car lines came through, and the station that tapped the country districts was four blocks away, at a point which also became the "transfer corner" of the local street-car lines.

### Into the Heart of Things

BING'S One Price Clothing House smeared the newspapers with advertisements of the great removal sale, and the store took a four-block hop into the heart of things. The When followed. The old Methodist Church came down and a six-story building rose there, with a big new department store in the store-rooms of the ground floor and basement. The northern sisters languished and died—and their proprietors may never have known why.

Standing in front of his new store, Ben could—and did—beam approvingly on his outlook. In that block were four financial in-

stitutions—two banks, the trust company, and the "Building and Loan." Next door was the other "biggest" clothing store of the town. That was fine, because that brought almost everybody wanting clothes into this block. Steel rails down the center of the street brought customers on local and interurban lines.

Meridian definitely had established its ascendancy over Main, and this was its prize block.

These things of which we speak happened in the Indiana town in which I grew up. But it is also Any Town. Raise it, as the professor says, to the *n*th power, and it becomes New York. Then Meridian Street becomes Fifth Avenue.

Cities do many strange things as they grow, and some of these things are destructive. Up to the time that Fifth Avenue, like Meridian, established its retail shopping ascendancy, there were "Bing families" in New York which had moved their mercantile establishments four or five times—keep up with the town. And even now some of the most prominent of the clan are moving, while

**B**EN BING'S One Price Clothing House was over at the northeast corner of the public square in the days when he paid me twenty-five cents for being cash boy on Saturdays.

Across the street in the tallest building in town, which was four stories, was the When Clothing Store. The why of the "when" I never learned. Nearby, Grimes department store, and another whose name eludes me.

These major commercial establishments were on the north side of the courthouse because most of the hitch racks were there. They were "near" their biggest market, because they were slap up against the first stopping place of the farmer and his family arriving in town—and that, naturally, was the hitch rack. But during the next few years



others are threatened by neighbors considered undesirable.

But Ben's New York cousins can sit at their flat-topped desks; they don't stand out in front of their shops and beam on their outlook also. They have raised the Meridian Street of New York to its *nth* degree and have made some rather remarkable discoveries and established a few interesting.

Out where most of us live or have lived, merchants will be quite pleased to hear that a bank is to be established on the next corner. That lends tone to the entire block. It is considered a splendid thing for everybody.

Can you imagine a place where that would not be true? I couldn't. But Fifth Avenue is that place. There, big merchants grumble.

### Now the Banks Are Coming

"WE HAVE made this the greatest retail street in the world," they will say, "and now the banks are coming in and taking desirable sites as fast as they become available. They are vastly wealthy institutions, with huge reserves, and they can buy what they want. We cannot compete with them. They want and they are getting the most prominent corners. On these they erect handsome buildings as imposing advertisements of their institutions."

Why, then, complain? one is inclined to ask. Does not that help establish Fifth Avenue as Quality Street?

And the Fifth Avenue merchant's contention is this: That he is himself attending to the establishment of Fifth Avenue as Quality Street, he and his associates. But that these prominent corners belong rightfully to "trade."

Furthermore, banks merely serve the persons and businesses already there; banks do not bring a single additional potential customer into the Avenue.

Fifth Avenue gives thanks to the philosopher who invented the "intelligent self-interest" concept as a side partner for the Golden Rule, and has organized to discover intelligently what is "enlightened selfishness."

Nothing can be done about the fact that banks are taking Fifth Avenue corners. But these merchants have discovered a great many things they may and can do, and do effectively.

For instance, here is a rather striking little item: In the days when I functioned as "legs" for the daily that was printed around the corner off Meridian Street, I'd have seen a fine story had it been proposed to route one of the semi-occasional "parades" anywhere else than down Meridian. But if you put a parade past the watchful eye of Fifth Avenue, you must get up very early in the morning, or have a mighty good cause, amounting almost to a national emergency.

This is an amazing stand to take? No, it is not. Persons watching a parade are not buying. Not only do they not buy when the parade is in progress, but when the parade has passed something has happened to the plans with which they came down town. You will have to take Fifth Avenue's word for this, not mine.

### Sightseeing Buses Barred

THAT being true, it is not at all difficult to prove that the Avenue has very powerful reasons for opposing parades. A plant whose value may be a billion dollars—the assessed value of the real estate alone is half a billion—dare not have many paralyzing shut-downs.

Ben Bing was pleased if I brought a country cousin and showed him the banks, the broad plate-glass of the One Price Clothing House, the Masonic Temple, and the Union Block, height six stories. Many a time, also, I have taken visitors to New York for a look at the wonders of Fifth Avenue. But I find that Fifth Avenue was not particularly pleased or flattered by this interest.

Fifth Avenue would much rather have the space I occupy. She cannot bar me exactly, but she has barred sightseeing in

gross lots. The "rubber-neck wagon" no longer is permitted to make its way up the Avenue.

Another paradox, one concludes. No, not at all, but simple, straightforward, clear thinking. Sightseers are not spenders. The street space is needed for spenders. At Forty-second Street there is a seventy-by-one-hundred-foot plot that is on the tax books at more than two millions; the Delmonico site sold the other day at \$312 a square foot; and any merchant who undertakes to support land having such values must concentrate on selling.

### Wants Car Tracks Ripped Up

ALREADY, Fifth Avenue as a retail street has spread over into Madison, and even into Park Avenue. Up Madison run the steel rails which meant prosperity to Ben Bing. The Fifth Avenue district awaits the day when they may be ripped up. As advantages to these merchants, the rails are just as obsolete as hitch racks in Indiana.

These things of which I have been writing illustrate strikingly the fact that someone is thinking things through in the heart of the



Signs out over the sidewalk may be found in almost any town, but not in New York along Fifth Avenue, where seventeen hundred merchants are banded together to protect the high value of their retail property



greatest retail district in the world. The Fifth Avenue section has, in fact, an "invisible government." It speaks, as one man put it to me, "with the voice of an organized community." Seventeen hundred merchants, representing approximately one hundred classifications, are banded together for the purpose of thinking things through to the end that the Fifth Avenue district, now officially considered to include the neighboring avenues of Madison and Park, shall be able to pursue a more even way. There is al-



most a total absence of speech-making in the Fifth Avenue Association but a maximum of sound and businesslike organization.

Capt. William J. Pedrick, its vice-president and general manager, cannot prevent banks gobbling up prize corners—and would not if he could, as it happens, inasmuch as banks are members of the association—but he can and does draw many lines.

Ten minutes or so after an application had been filed at the Municipal Building recently for permission to erect a gasoline filling station on one of upper Fifth Avenue's most important corners, news of the application reached the association offices.

Not many hours later the staff had learned who was behind the venture and organized strong opposition to it. The case was argued and the application dismissed. The cost to the owners of the sur-



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An early-day picture of Fifth Avenue at 51st Street. These fine old homes still stand but are giving way one by one to make room for retail stores, specialty shops and apartment houses.

rounding property was nil. This threat of damage to property values being removed, the site was sold a few weeks later to a syndicate interested in the erection of a huge apartment house.

Fifth Avenue is a city within a city, and its "invisible government"—the phrase is mine, not theirs—is a unique thing. It can concern itself with an expanding clothing-manufacturing trade threatening confiscation of many millions in retail property values; and it is equally able to concern itself over little things.

"Every piece of legislation," said Captain Pedrick, "that is introduced in the city or state is examined by us to see whether it affects our street."

"Through its committees and executive staff, our association initiates and actively supports proposals which will be of lasting benefit to the Fifth Avenue Association and the city of New York as a whole."

## The Facts That Answer Trotsky

In his book, "Whither England?" Leon Trotsky supplies a special "Preface for America," in which he says in part:

"By exerting pressure on its debtors or giving them an extension, by granting or refusing credit to European countries, the United States is placing them in a gradually tightening economic dependence, in the last analysis an ineluctable situation, which is the necessary condition for inevitable social and revolutionary disturbance. The Communist International, viewed in the light of this knowledge, may be considered an almost conservative institution as compared with Wall Street. Morgan, Dawes, Julius Barnes—these are among the artificers of the approaching European revolution."

Which led Mr. Barnes to answer:

**SICK RUSSIA** prescribes its patent nostrums for robust America.

An ancient civilization one hundred million strong, living today just above the verge of utter barbarism, attempts to instruct orderly America, busy with its expanded economic life and social opportunities, typified by its eighteen million automobiles and its towering skyscrapers.

Tyrannized Russia, barred from free speech and free press, its ignorance of world progress typified by its scanty six pounds per capita newspaper consumption per year, preaches to America where 150 pounds newspaper consumption per capita makes the printed page the universal medium of information, where

current world events show nightly on the screens of thousands of motion-picture theaters, where music and uttered thoughts enter every home through the universal radio.

Bankrupt Russia, pleading for foreign credits, seizing the product of its wooden-plow farms at Government-dictated prices—only thus acquiring the means for overseas purchase of scanty necessities—instructs America in the errors of a policy which in twelve years has raised the savings account of America from six billion to twenty billion dollars.

Communist Russia, destroying the individual productive impulse until this great agricultural country recently escaped millions of famine-deaths only by the bounty of capitalistic America, prescribes its futile rules for America, where individual opportunity and fair play have raised the common standard of living to be the admiration and despair of other peoples.

The lessons of the most splendid quarter century of material progress in the world's history bear no message to this fanatic mind.

These recent years, science and invention produced the automobile, the aeroplane, the submarine, the motion picture, the X-ray and the radio. New industries raised the average employment and earnings until the American worker's home today possesses universally the bath-room, the gas range, electricity, the phonograph, the telephone, the radio and the automobile.

Iron, coal, copper, oil and timber lie valueless until orderly government and enterprising

industry shape them for human use and they become national wealth that makes more secure living standards which preserve health and lengthen life.

America's great contribution to human progress has been this: Intelligently directed industry takes from nature its treasures of field, forest and mine, fabricates these into the thousand articles of human use by mastery of nature's electric energy, and enormously increases the production of every single man.

America's hundred million people and their achievement is the open record to inspire the effort of sixteen hundred million other humans in the world. Fast or slow, other peoples—seeing what in America the average man may aspire to accomplish and own—will follow.

Yet, when America proposes to develop thus in the far corners of the world, among other less fortunate peoples, old and new, the same magical process of production and transportation, which means individual opportunity and individual content and happiness,—this mind of Trotsky's can see nothing but a selfish effort to preserve American industry against the competition of rival countries.

The great menace to this social progress is such tyranny as that in Russia today, where great treasures of coal, iron, copper, oil, timber and idle labor lie useless because of the economic and political fallacies which maintain one hundred million people in dense ignorance and which play on their credulity with such cheap cries as "exploitation" and "world revolution."



# Where Shall the Shopper Park?

By LOUIS ROTHSCILD

Pictures by Charles Dunn

IN THE good old days, the shopping member of the "Four Hundred" journeyed to the merchant with a driver and footman in livery behind a pair of fine bays. That was the day of big bustles and little parasols. The merchant stood at the curb and personally greeted his "carriage trade." Since then the "Four Hundred" has become the four million; the carriage trade has been replaced by the automobile trade, and the merchant, who no longer greets his customers in person, is faced with the problem of accommodating their automobiles while they shop and purchase in his store.

Throughout the country, in the biggest city

that the retailer can assist but that the permanent and scientific adjustment of traffic congestion must be brought about by the community itself. Nevertheless those merchants who cater especially to the automobile trade are finding that their business is jeopardized, and therefore throughout the country they are offering customers a variety of services calculated to assist the shopper who comes in an automobile. In many instances the problem is so great that the merchant is faced with the alternative of either helping his customer find a place to leave the car or else moving his establishment to a less-congested district of the city.

A survey of the traffic problem discloses that eleven general methods have been found, more or less effective in helping the automobile shopper. Not all of these are fostered by merchants,

stores to and from their doors to less congested zones where customers will have no difficulty in parking.

Seventh, store garages open to customers' cars either on a paid or free basis.

Eighth, a chauffeur service provided by stores to take customers' cars while shopping.

Ninth, merchants cooperatively operating garages for customers.

Tenth, combination bus-and-parking facilities given to shoppers by merchants.

Eleventh, vacant lots near stores maintained by merchants for customers' parking.

## Immediately a Cry Went Up

THE most generally used form of municipal relief at the present time is restricted parking. Throughout the country police authorities are rigidly enforcing rules designed to relieve congestion, although it is making it harder for the automobile customer to park. It is a moot question in retail circles as to the effect of parking restrictions upon shopping, but the tendency seems to be in favor of such regulations and their enforcement. In Philadelphia, Chestnut Street, one of the leading shopping thoroughfares, suffered so greatly from congestion that the police authorities prohibited parking alto-



In those days the merchant stood on the curb and personally greeted his "carriage trade"

and the smallest community, automobile congestion presents a problem. To the retail merchant, and especially the retailer catering to the "carriage trade," the situation is of vital importance. Congestion of automobile traffic hinders retail business; it makes it hard for shoppers to get through the multitude of traffic tangles into the stores and even more difficult for the automobile shopper to find a place to park a car while shopping.

## Two Important Conventions

RETAIL business keenly realizes its interest in the parking problem. During the last spring, store executives held two important conventions, one being the annual meeting of store managers of the National Retail Dry Goods Association at Atlantic City, and the other the convention of the Retail Delivery Association at Cincinnati. Particular attention was paid at both of these conventions to the parking problem and to the efforts of retail stores to help customers park their automobiles.

It was brought out at these meetings that the question is essentially a municipal one;

but all are intended to help the merchant's customer and therefore are receiving the attention of leading retail business men. Summarized they are:

First, parking restrictions enforced by police authorities, which have the effect of curbing all-day parking and which make it easier to get to the retail stores.

Second, cities allotting certain grounds for public parking either free or on a paid basis.

Third, public utility bus lines running from congested retail districts to less crowded zones.

Fourth, day storage in garages or on vacant lots as a commercial enterprise.

Fifth, office buildings providing parking space for automobiles owned by occupants.

Sixth, free bus services provided by large

gether on that popular street. Immediately a cry went up from business houses so loud that after a month the restriction was lifted and parking was again permitted. After two months of the renewed parking and consequent congestion, the retail interests went to the authorities requesting a renewal of the prohibition of parking. In Washington, D. C., parking restrictions were recently made more drastic, and after eight weeks of application only one complaint was filed by a merchant. On the other hand, one large department store,



the Hecht Company, applied to have the restrictions enlarged to include all streets faced by their enormous new building.

At the recent National Safety Conference held under the auspices of Secretary of Commerce Hoover, a committee report said on this subject:

"The general attitude toward parking in cities, particularly in the congested districts, is one that is undergoing change at the present time. Merchants in some cities who once objected to the prohibition or restriction of parking in front of their stores, on the theory that the rules kept out of the district prospective shoppers, now complain against unrestricted parking on the ground that prospective shoppers cannot get up to the stores."

### The City Condemned a Block

MANY municipalities are providing parking space for shoppers and others in the downtown districts. Baltimore has its St. Paul Street open to automobile parkers, Chicago has its Lake Drive, and numerous cities have blocked off certain blocks of land for parking purposes. In Brighton, Mass., the parking problem was particularly acute, due to the narrow streets that dated back to the city's historic origin. Here the city condemned a city block just one square from the leading shopping district, tore down the buildings and opened a public parking place.

A stroll through many cities where there are a number of vacant lots in the business district will show that these lots are being commercialized for day storage of automobiles. Commercial garages are capitalizing the congestion and are selling parking space to shoppers and others. In a number of cities large automobile storage houses are being built by private interests as a commercial venture in selling parking spaces. Such garages have been built in Seattle, San Francisco, Cleveland, Washington, Chicago, and a number of other cities.

At the present time retailers are aiding a group of other business men in Pittsburgh in the construction of a four-story garage

that will have a daily capacity of more than 4,000 cars, and the building alone will cost \$2,750,000.

Public utility companies are rapidly seeing the possibility of relieving the parking problem in shopping districts by running shuttle bus lines from the zone directly outside of the congested region to the center of the shopping section. Cleveland has a number of such bus lines charging a rate proportionately lower than that charged for longer hauls. They have been successful from both the commercial and the traffic viewpoint.

A new thought among city planners, architects and others is that large buildings, such as office buildings, which house a large number of workers, should themselves provide parking facilities for tenants. Detroit is recognized as the leading city in carrying out this plan. In Los Angeles, the Biltmore Hotel has not only given an added service to its guests but has helped to relieve the parking problem in the retail district. This hotel has a large paved lot adjoining its building for the day storage of automobiles at a small charge of twenty-five cents. In a subway underneath this lot there is an underground garage where the day parking charge is fifty cents.

As the parking problem affects the retail merchant most severely, retailers in nearly all the leading cities and towns are working to help relieve the situation. These endeavors are promoted from the selfish and practical angle of giving a better service to customers, and although in some instances charges are made for the various services, virtually all the plans are recorded in red ink on the stores' ledgers. The service which is rendered generally makes itself felt in two forms, the providing of parking facilities and the operation of a free bus service from the store to the outlying district.

Woodward and Lothrop, Washington department store, operates a modern bus from its store entrance to Thomas Circle, a central intersection just out of the main congested district of the nation's capital. This service has been very successful from an advertising standpoint, although its actual cash-drawer record proves it to be expen-

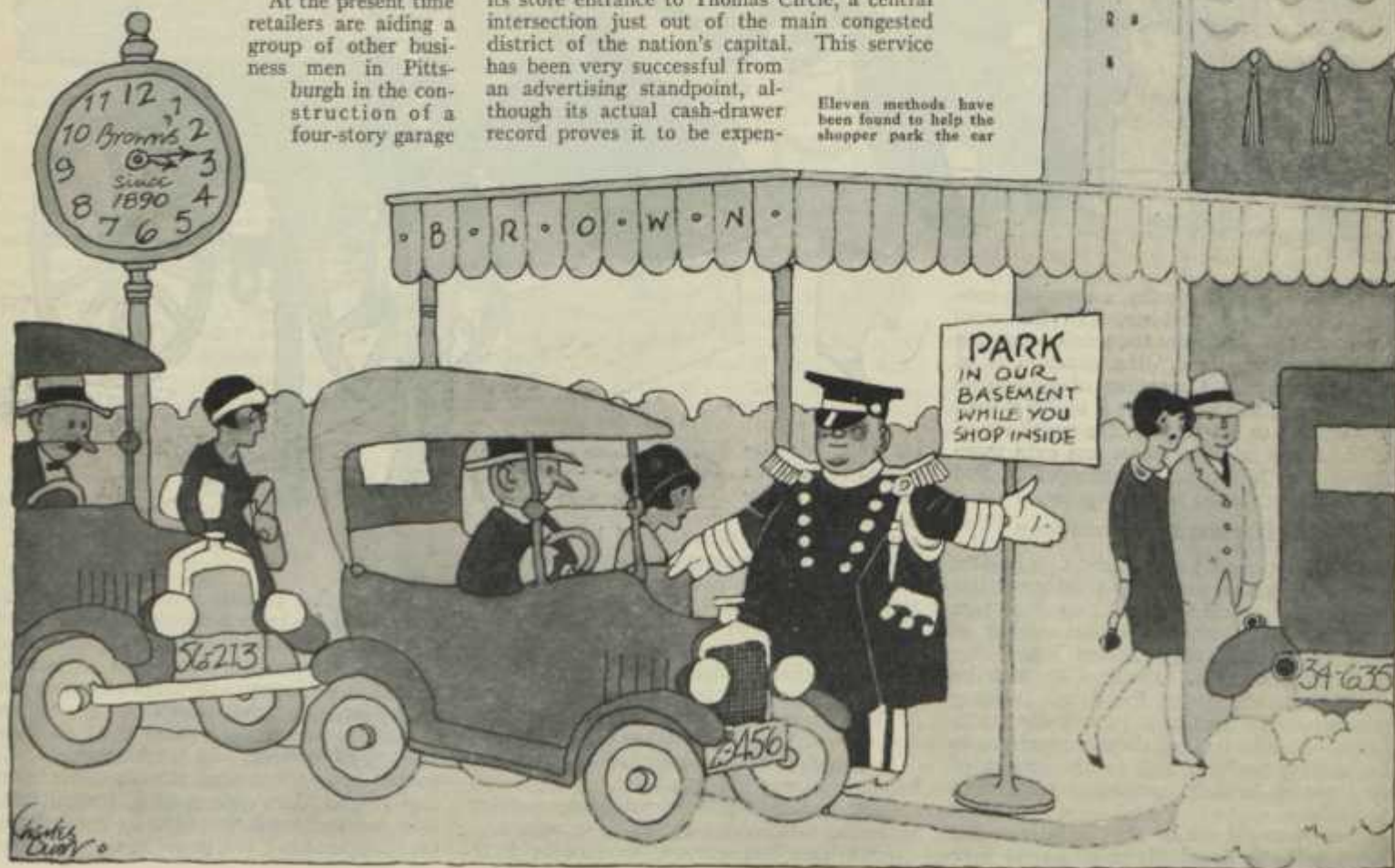
sive. The famous Wanamaker store in New York conducts a similar service, running a fleet of buses from an uptown center to the store. The plan of providing parking space is much more popular among retailers.

### Maintains a Big Vacant Lot

TRAFFIC experts point to St. Louis as the city that has done the most in store garaging. Three big department stores there are giving service that can accommodate almost 1,000 automobiles a day. These stores are the Stix, Baer and Fuller Company, The Scruggs, Vandervort and Varney Company and the Famous and Barr Company. Each of these establishments provides parking facilities for customers, but the details vary, one giving the service free of charge and, in addition, having its own chauffeurs drive a car from the store door to the garage and back again at the call of the customer. Another one of these stores maintains a big vacant lot nearby upon which parking space is sold at rates varying with the length of time parked. The other plan is a garage with a set fee which is automatically lifted if the owner of the automobile buys a stated amount in this store.

The most interesting cooperative endeavor in store parking facilities is that followed by thirty Davenport, Iowa, merchants who have cooperatively leased a number of commercial garages and sell tickets to the member stores at a low rate. These tickets may be given free to customers or sold as the store sees fit, and by this plan more than 12,000 automobiles are parked during a year.

Four instances, taken at random, indicate





how nation-wide the idea of store parking has become and how great is the variety of merchants accepting the plan. The Honeyman Hardware Company, of Portland, Ore., maintains a vacant lot in the rear of its store where customers may park without cost. The Kleinham Company, of Buffalo, a department store, has arranged with a commercial garage to park customers' cars at wholesale rates with a two-hour limit. The Wheeler Green Company of Rochester, N. Y., has an almost identical agreement with three separate commercial garages. G. W. Rider, a jeweler of San Jose, Calif., also maintains a garage for customers' cars.

One of the leading department stores in the east, Jordan Marsh and Company, of Boston, is constructing a 600-car garage within two blocks of its store to be turned over to customers' cars for day parking. S. Kann Sons Company, of Washington, is now building a new warehouse next door to its main building in the plans for which is space that may be used for parking shoppers' cars. Still another leading department store is now building a garage for customers' automobiles—the May Company of Cleveland. This is to be a building of architectural beauty, 200 by 132 feet and with a capacity for 600 cars.

The combination of bus and garage is a new idea. In St. Louis it is developed by Sonnenfeld's, a women's specialty store. This establishment is going other St. Louis stores one better by also giving free bus transportation to and from the store and the garage. Customers are permitted to park for three hours in the store garage, and every ten minutes the bus takes those who have parked to the store and those who have finished their shopping expedition back to the automobiles. A similar arrangement has been adopted by L. Bamberger and Company, of Newark, N. J., which in one week accommodated 588 cars carrying over 2,000 potential buyers of store merchandise.

#### Helps Small-Town Merchant

**C**ONGESTION of automobiles in the cities is proving a benefit to small-town merchants. Many of the lesser communities report that parking restrictions in large and middle-sized cities is hindering the small-town buyer who used to go to the city to shop. Apparently traffic and parking difficulties are making it hard for shoppers to buy in the city, and they are staying at home. Marysville, Ohio, is a town of about 12,000 inhabitants, just 30 miles from Columbus. Mer-

chants in this community report that, since parking and traffic have become so complicated in Columbus, many people are not going to the larger city and Marysville merchants are prospering.

A very interesting plan to aid the out-of-town buyer and to prevent parking restrictions from hurting the local merchants has been evolved through the Retail Merchants Bureau of Bluefield, W. Va. In this enterprising city a one-hour parking limit is strictly enforced in business districts. An out-of-town buyer coming to the city, however, receives a special tag to place on his car. Police authorities note this tag and will not take action if the parking limit is violated.

Retailers should consider the recommendation made by Secretary of Commerce Hoover recently, when he said: "Each community should reach a decision, based upon present local conditions and probable future developments, as to how it will provide for the stopping and parking or day storage of automobiles, and apply that decision to its city plan."

"The growth of our population, the growth of industry, the growth in complexity of our civilization itself, demand of the American people a far wider degree of cooperation if we are to continue to progress."

## Factors in the Coal Situation

**O**UTSTANDING issues in the negotiations preceding the declaration of a strike of miners of anthracite coal, effective September 1, are defined in an eight-page bulletin on the anthracite coal situation prepared by the Natural Resources Production Department of the Chamber of Commerce of the United States. A conference was begun July 9 between the anthracite operators and the anthracite miners to make a new agreement to supersede the one expiring August 31, 1925. This conference ended August 4, when the miners rejected the operators' proposal to arbitrate and refused to continue negotiations, the bulletin says, unless the operators would withdraw their opposition to a wage increase and grant the so-called "check-off."

Included in the bulletin are informative considerations of important factors in the anthracite and bituminous industries, the available supplies of anthracite, wage contracts and wages, demands of the miners, the "check-off" system, wages and arbitration, and a map of the coal fields.

Less than 30 per cent of the normal annual output of 90,000,000 tons of anthracite coal, virtually all of it mined in Pennsylvania, is used industrially, the bulletin says. About 500,000,000 tons of soft coal, predominantly an industrial fuel, are produced annually from mines in twenty-three states, the various fields including an area of 458,000 square miles—an area 945 times larger than the anthracite field. In 1922 the total number of employees in the anthracite field was 155,000, 100 per cent unionized; in the soft coal fields, the number was 640,000, 70 per cent unionized.

During the last three years, production in the non-union soft coal fields has increased until it is now 70 per cent of the total production of soft coal. Appraising the possibilities of supply, the Natural Resources Production Department of the Chamber expresses the belief that "despite the complete stoppage of anthracite production, there is more than enough coal available to meet the demands of industry and also to keep the people warm, provided they utilize bituminous," and it estimates that there is "enough

anthracite available for at least four and one-half months under normal winter demands." But this note of optimism is qualified in a subsequent paragraph:

Unfortunately, these supplies are never equally divided and to meet actual requirements many anthracite users will have to resort to substitutes—oil, gas, wood, and bituminous coal. A grade of bituminous coal well suited for domestic purposes should be readily obtained from the low-volatile fields of Maryland, West Virginia, and Pennsylvania. These fields are available to the anthracite-consuming area and there is no likelihood of interrupted production, as they are largely non-union.

#### Men Ask 10 Per Cent Raise

**C**ONSIDERING the miners' demands, the bulletin says:

Principal among the demands presented by the anthracite miners are a two-year contract, the "check-off," 10 per cent increase in contract wages, a flat increase of \$1.00 per day for all "day men." In the anthracite field there are two main classes of employees, the contract miner and the "day man." The contract miners, constituting 30 per cent of the employees, are those actually engaged in getting the coal from the seams and getting it ready to be loaded into the mine cars used to convey it to the surface for preparation. These men are paid on the unit basis, i.e., so much per carload, per ton loaded, or for the distance they drive into the seam. The balance of the labor—70 per cent—embracing those who load the coal on mine cars, who operate the mine cars, hoisting engines, motors, pumps, etc., and the workers who prepare the coal at the breaker, the blacksmiths, carpenters, etc., are paid on the day basis.

Other demands are time and half-time for overtime and double time for Sundays and holidays; that the recognized regional standard of union wage be paid blacksmiths, carpenters, etc.; increase in the price paid for handling rock; a five-day week; that all rock men and all men working on stripping shall be brought under the mine workers' agreement; that in decreasing or increasing the working force, seniority of service shall be the controlling factor.

To understand the situation which developed from the refusal of the miners to continue negotiations because of the opposition of the operators to an increase of wages, and

to the demand for complete recognition of the United Mine Workers of America in the anthracite field—"complete recognition" meaning "closed shop" and "check-off"—the bulletin explains that

It should be borne in mind that although the contract in force in the anthracite industry recognizes the United Mine Workers of America as party to the contract, it does not carry the provision usually inserted in the bituminous contracts made by the United Mine Workers of America whereby the operators accept the "closed shop" and "check-off."

In the present negotiations, although the operators had no opportunity to present their formal reply to the miners' demands, their position as indicated by their official spokesmen is that they will not agree to any changes in wage conditions which will increase the cost of production and that, since the miners' union is a party to the existing contract, recognition of the union already obtains.

The "check-off" system, according to the bulletin, requires that

All union dues, fines, and assessments shall be collected by the company from the individual miner and paid direct to union officials. The demands of the union for the "check-off" have played an important part in all negotiations between the union and the operators since the inception of contractual relations in 1902.

Continued proposals of the operators to arbitrate all issues and the refusals of the miners to agree, the bulletin asserts, were an outstanding feature of the recent negotiations between the operators and the miners. The position of the operators is defined in a statement made by the chairman of the operators' negotiating committee:

In view of the present situation your committee strongly recommends that the operators maintain a firm stand for arbitration of the present differences, to prevent a recurrence to interruptions such as the one about to start.

It believes that any settlement effected should be of a permanent nature, providing for a readjustment of the wage scale from time to time, to allow of prices for our product that will enable it to move freely in competition with other fuels.—R. C. W.



# Blame the Banker, Not the Salesman

By HARRY R. WELLMAN

*Professor of Marketing, Amos Tuck School, Hanover, N. H.*

Pictures by R. L. Lambdin

**T**HE DIRECTORS' meeting was just drawing to a close. The general budget for the next six months had been examined and O. K'd; the president had been authorized to raise the necessary funds to carry out the budget plans. As the meeting was about to adjourn, one of the directors, a banky-looking chap, arose and said: "Mr. President, our operations for the next six months would be a little safer if we increased the sales estimates by 10 per cent." Several nodded acquiescence. He then continued: "Mr. President, I move that the sales manager be instructed to increase his sales estimates by 10 per cent—and that he get this additional business," and the motion passed unanimously.

**T**HE PRESIDENT had just finished reading his report. "Mr. President," asked one of the directors, "do you mean to tell me that the last million dollars' worth of business we got cost us \$100,000 more than our profit?" The president nodded. "Then, Mr. President," continued the director, "I move that the sales manager's resignation be requested at once." The motion was passed unanimously.

**T**HE MEETING of the holding corporation was drawing to a stormy close. Money had been poured in for the original consolidation.

More money had been raised to carry the new "trust" over the first bumps. Now, at the end of the year, the president reported that production had been maintained at the agreed cost, that the original sales estimates had been reached but that, instead of a profit, there was an operating loss of close to \$200,000. This loss was made up of increased selling costs. Something had to be done about it. So the sales manager was released.

**B**LAMING the sales manager or the sales department has been a very popular game ever since 1920. If sales decline, blame the sales department; if sales costs increase, blame the sales department. Do not admit that too many goods may have been manufactured. Deny stoutly that too much money was furnished to buy raw materials. All this is immaterial—and embarrassing. It's much easier to fire the sales outfit and hire a new bunch of go-getters.

Right or wrong, this method has been followed pretty consistently for the past four years. There have been surpluses. There have been diminishing sales and increasing sales costs. There have been wastes. There have been too many styles and models. Obviously, there has been bad selling somewhere. And since these things have been so, the sales department, and the sales manager in particular, have furnished shining marks for the

slings and arrows of outraged sane business.

But this point of view, this hazy assumption that the sales department is wholly or mostly to blame, needs a little further thought, study and investigation before it is accepted as the right point of view for the immediate present.

It needs a little sane analysis of the other component parts of business, production, finance and administration, before any one department can reasonably be held responsible for the present condition of decreased sales, or of increased sales and decreased profits.

## Brief Analysis of Business

**F**ACING 1926, let us then make a brief analysis of the general business with the hope of establishing fairly definite and sound responsibilities for our future guidance. Business analysis becomes reasonably simple, if applied in unit form. First of all there is the product itself, then there is the market and, finally, the trade channels used to reach the market. All simple, all clearly defined, and all easy of access, and when a study of these divisions is made it is perfectly easy to assign the rest of the job to finance, production and wise administration. In other words, it is then possible to decide how much money is needed to buy the right amount of raw materials, to manufacture the right amount of



The original sales estimates had been reached but instead of a profit there was a loss. Something had to be done about it. So the sales manager was released



product to satisfy a known market at a profit. Reasonably simple, yet it is the seldom-reached goal of all manufacturing business.

Taking up these divisions in order, we find that in 1900 the product was universally simple, was scaled to reach a waiting market, and that the actual demand was some five or ten years ahead of production. In a situation of this kind, manufacturers did not have to vary their models, introduce new styles, or hunt up or invent new uses for their products. The products were sold before they were made.

In 1915 we find that, while a saturation point had not been reached, manufacturers were changing models, introducing new styles and sometimes operating their plants—during what would have been dull times—in making novelties. Thanks to the war, the situation was practically unchanged until 1920.

Now in 1925 we find factories making standard goods with novelties "on the side," competing with factories engaged in a similar expensive sport. But, as a fairly new competitive note, we find these old straddling-the-road plants competing with new firms engaged exclusively in the manufacture of novelties! These new novelty concerns are now competing with other novelty firms and also competing with the part-time or part-factory manufacture of novelties.

#### Market Full of Novelties

FOR EXAMPLE, as business fell off, a manufacturer of oil stoves thought he would fill up slack time by making what he called "agate and aluminum-ware novelties." They were novelties from his point of view, but when he reached the market he found it full of the material he *thought* would be new. The volume reached by a manufacturer who used his entire production for aluminum ware, and a similar situation in agate ware, made the new stock practically valueless since it could not meet the competitive price.

Pencil manufacturers going into the pen business, pen manufacturers going into the pencil business, and both going into the ink business, make it seem quite logical for the ink manufacturer to go into the pen and pencil business as if it were a new "novelty" field. And so on, until now we have "families of products" not even related by marriage.

In 1911 the Taylor system of scientific management was fairly well establishing the fact that well-organized, scientific production would create merchandise in mass and thus reduce the cost per unit. In 1925 the factories which are organized and operating under scientific management have apparently forgotten the purpose for which the system was installed, or, fearing complete extermination, have thrown over the safe fundamentals of Mr. Taylor and others and are vigorously chasing the will-o'-the-wisp, something new!

The wide variation in method, this added competition, resulted in the disappearance of standards of merchandise and in flooding the market with thousands of articles, all designed for the same purpose and differing only in brand.

And so, since 1920, this added volume of merchandise has been poured into the trade channels formerly used to reach the market at a profit. The results have been nearly disastrous. Pressure from the manufacturer has forced many a jobber to take on added lines, a "family of products," if the jobber were to be allowed to keep the "bread winner." So the jobber has added new items to compete with other lines that he was carrying at a profit, until his warehouse looks like a junk shop, his sales force is disorganized by being forced into other fields, and his profits

remain in unsold cases, half-cases and job lots.

The retailer, the final trade channel, has fared little better. While the "big store" was able to handle the extra merchandise by sales and basement methods, the small merchant sought increased business by willingly increasing his line and, where he had so-called exclusive lines, added the new items as they appeared. His profits, too, were largely represented in left-over stocks which he was loth to sell at a loss.

But his state of mind, as

Once burned,  
twice shy



well as the jobber's state of mind, has not been receptive to the forcing method since 1923. This year finds both small merchant and jobber carefully scrutinizing their merchandise, and the methods of the people with whom they have done business, and studying just how they can best return to profitable business. They not only do not want new items but they do not wish to stock the usual quantities of so-called standard merchandise. Once burned, twice shy.

So, in 1925, the sales manager does not find it so easy to open new fields, is unable to sell as much of the old product as formerly and, in consequence, is blamed for it all. Obviously, the plant that has run amuck, that has abandoned its safe and sane production methods, is passing the buck. Let it return to standardization of product and method; let it manufacture for a known market before it casts rocks at the sales department.

#### Source of All the Trouble

THIS brings us to the source of all the trouble, namely, the American banker who has furnished and is furnishing the funds to continue this impossible situation. For part of this we can't blame him. He figured that the country was growing and that it would continue to grow at the same rate. If he had spent even a half-hour in careful study of the economics of the situation, he would have found that we passed the peak of the "expansion era" in 1915.

Then, too, he with the rest of us was rather

carried away by the demands of the war. He gladly financed new and necessary production plants; he floated anything that appeared to be needed to help bring the war to a successful close. He, in some cases, took a little flyer in wool, cotton, sugar and leather, and, as a bank, loaned more money to new business using materials of this type than the peacetime traffic would bear.

#### Encouraged by Big Profits

BAD JUDGMENT, yes; but very human, and due largely to the general state of mind brought on by the war. But what is less easy to understand is why, when the crash came in 1920, the bank didn't take time to learn what it was all about. That particular year found bankers, whose commitments were considerable, supporting business which should have been permitted to liquidate, and, at the same moment, financing new businesses to enter fields already crowded.

Then, too, overproduction is just as apparent in the financial district as in the manufacturing district. Encouraged by wartime profits, almost as many people entered the general banking field as entered the grocery business! This was the heyday of the "near" banker, the boy banker and the juvenile financial wizard.

As a direct result there are too many banks, brokers, bond houses and others, and as happens in all other business when it becomes over-produced and over-competitive, they are all trying to do the same job. It started with the idea of "service," just as other extra sales efforts started. Each unit added a service feature as soon as it was advertised by a competitor. The result is that, functionally, it



would be hard to distinguish between a bond house and a bank, a regular broker or a bank vice-president.

On the more practical side, however, by this extension into other fields, the bank is taking the normal profits of the bond house, and the bond house is taking the normal profits of the bank. Too many of them are trying to do the same thing—to absorb all the functions of bank, bond house, investment broker and plain broker, in one firm. In the light of their prompt and continuous criticism of sales and production methods, this is indeed somewhat humorous.

#### Must Build Safe and Sane

**T**HE MOST serious phase of this overproduction in the general banking field arises, as in general business, from the influx of new products that really aren't new. These new financial outfits must have something to buy and sell if they are to remain in business. Therefore, they try to secure new financing from safe, sane and reputable business. Failing that, they interest themselves in financing new businesses. These new businesses are too often financed without proper regard for the market conditions affecting the product to be manufactured.

These new offerings are often conceived in hope and offered with enthusiasm. They are frequently good and quite as frequently bad. They are the automatic result of applying over-young financial brains to age-old economic laws dealing with supply and demand. Serious and honest in purpose, increased competition often forces new issues that are not based on sound economic judgment. While money was plenty, while business was booming, this lack of judgment was partly defensible. It is not defensible today. Conditions have returned almost to the pre-war normal. We must build safe and sane from these new, sound levels.

All bankers and investment houses must learn the solemn business truth that it doesn't matter *what* you can manufacture in 1925, if you can't sell it. This lesson has not been

learned. Pick up the paper and turn to the new business list and you will find shoes, shirts, radio, clothing and even automobiles listed in the new business ventures. Each of these fields is not only filled with merchandise but is crowded with merchandise even to the point of suffocation.

It is high time that the bankers consult the trade associations interested and the Department of Commerce before making it possible for "new" businesses to enter crowded fields. Past economic history indicates certain rather well-defined trends at the close of any war or at the end of any long period of expansion.

Luxuries become relatively cheap; foods and certain necessities advance in price; standardization emerges and, when these are well under way, consolidations and failures weed out the weak businesses that have been unable to make the necessary readjustment. Our failures have been considerable; consolidation is evident in almost every line of business; so-called luxuries are even now lowering their prices.

#### Good Time for Liquidation

**M**ANY specialties, such as talking machines and radio, are now becoming commodities and, as such, can and must lower their prices to attract the necessary business to absorb increased volume. Standardization is being urged by trade associations and boards of trade. The Department of Commerce has done and is doing a most helpful job in working out standards and specifications for business.

With all of these changes taking place it ought not to be necessary to warn finance to go slow in financing new business and to watch carefully that no extra capital load comes as a result of consolidation and re-financing. Business generally has now to be content with peace-time profits. Finance must accept the same viewpoint if normal business is to be done at a profit for anyone except the banks. This would be a splendid time, too, for the further liquidation or consolidation of the extra financial units that serve no useful purpose since the supply

greatly exceeds the demand, normal or abnormal.

The banks and investment houses might well take a little of their own advice to business, namely, reduce expenses, increase volume per unit by standardization. This would result in the banks performing the banking function and that only, and the investment houses performing their normal functions and those only. But, greater than all, it would eliminate this constant cry, "Give us something to sell," which has resulted in some strange financial offerings to the public.

#### Business on a Level Keel

**T**HIS summary is not intended to be over-critical of our financial institutions. We have faith in them, and we would like to have even more faith in them. It does try to point out that the same overproduction, overselling idea has affected them just as it has affected the production and sales departments. Therefore, if business is to proceed on a level keel, deflation will have to occur in the financial pyramid just as it has in the other two.

So, in facing 1926, let's dam the source by seeing to it that not one penny of additional financing is granted until market conditions have been thoroughly investigated. Sales executives must be in position to furnish reasonably accurate estimates; production departments must operate to secure the greatest possible profit from the estimated volume, and finance must furnish only the necessary operating capital.

No one department has been wholly blame-worthy in the past. All departments have passed through extremely difficult periods of readjustment. Finance, production and sales are equally responsible for the success or failure of any manufacturing business. Therefore, instead of continuing the critical attitude that has characterized business interdepartmentally for the last five years, let us recognize the absolute interdependence of each, adjust each department to meet conditions as they now are, and face the future with sane confidence.

## What Is a Captain of Industry?

By A. C. BEDFORD

**I**HAD a most interesting discussion not long ago at a dinner in New York. Someone speaking in a very informal way pointed out what he considered to be the four fundamental bases of civilization. He said they were to be found in the home, the school, the church, and in the nation. His idea was that the home is the embodiment of love; the school, the instrument of learning; the church, the teacher of religion; and the nation, the expression of patriotism. Those, he considered, constitute all the elements which go to make up a well-rounded life.

While he was talking, the thought occurred to me that, even admitting the beauty, the charm, the inspiration and the greatness of these four qualities, none of them could be put into effective execution without work. All four of these things—love, learning, religion and patriotism—if you stop to think for a moment, absorb the benefits of the things which business produces. I have come to the conclusion that industry is the fundamental basis of civilization. The high office of civilization is to train men to productive effort.

Some years ago the people of France were

asked to express their judgment in a great popular vote as to who was the greatest Frenchman in history. I think your minds will immediately converge on the name which would receive the greatest number of votes. However, nine million votes were cast. It was found that the largest number had not been given to Napoleon, but to Pasteur, the man of science, the man who in the quiet work of his laboratories laid the foundation for saving the lives of millions.

#### Much to Admire in Organizer

**I**F ONE becomes a producer, one should also become a money-maker, and provided he gets wealth honestly, I think such a man has every right to be considered great. Too often, in this world, we measure men by their money, but it all depends in my mind on how they got it, for though it is a trite saying, it is true that "money lies at the root of all manner of things—good and bad." It stirs up wholesome ambitions and sometimes arouses mean desires, but the wish to better one's condition is honest and legitimate. There are some who insist that the desire for gain is the determining principle in human action.

While I don't believe it is prevailing, to me there is much to admire in the man who organizes and develops an industry to the point where he accumulates a fortune. Such are the men who created our industry and their history means a great deal to me, and I am sure it does to you.

They did not gamble their fortunes, though the oil business is in a sense always a gamble. They did not take from others, but they went out with nothing but their energy, their skill and cleverness of brain, and created this industry of which you and I are a part today. Surely they deserved all the reward that became theirs—for they were men of insight and judgment, of outlook and discrimination, of originality and creative ability.

They were thinkers and students of a rapidly growing industry, and their knowledge soon became power. We have coined this idea into the good old proverb, "Wisdom is the principal thing; therefore get wisdom, and with all thy getting, get understanding."

I sometimes get out of patience a little with people who come to me complaining because they don't get on; it is never their fault. My experience has been that most peo-



ple have a far larger supply of chances than they realize, but the trouble is the opportunities get away from us if we are not eternally vigilant. For many men are careless or indifferent.

Many a man with splendid ability has allowed indifference to steal his enthusiasm. Again, there are those who idle their time; the result of idleness is sure to produce poverty and poverty causes unhappiness and discouragement. And so many procrastinate! There is scarcely a failure in the world who did not intend to do greater things. There is nothing impossible for a man who can "will" strong enough.

### Will to Do Things

ONE OF the most delightful recollections of all my visits to France was the opportunity I had one evening to have a talk with Marshal Foch, and I will never forget the impression of strength, quality, perseverance and power that man made upon me. He was a man who had power of will to do things. Years of training were behind that immortal message he sent to General Joffre at the battle of the Marne: "My right has been rolled up—my left has been driven back—my center has been smashed. I have ordered an advance from all directions." Is that not an inspiration to all of us?

To the company it is worth a great deal to feel that there are men who think enough of their work to give extra time and study to fit themselves better for it. Employees of that kind are the ones who are worth their salt, but few understand its true significance. Our modern word "salary" comes from this idea, for salary originally meant "salt-money."

In the Roman days, soldiers were paid a very small fee for their services, so small, indeed, it only meant salt money, for salt was so scarce it brought a good price. If the soldiers fought well and came home victorious, they were hailed as heroes, but if the battle went against them, when they came home the popular verdict was that they were not worth their salt. This reference to military organization leads me to say a word about organization itself. Popular attention is directed toward the steam engine and its progeny of machinery, toward electricity and its fruits of rapid intercourse, and yet more refined machinery, and the other great conquests of a material nature. But I urge that a case can be made out for the idea, the science if you like, of arranging the activities of human beings in great numbers, toward definite ends. It is curious how often the first employment of man's inventions is destructive.

In our own age the first use of aviation was

in fighting; going further back it may be argued that our early generals who taught the manual of arms, whereby the utmost rate

craft in the transportation of mail and goods, so for half a century we have made advances in associating ourselves for the work of production and distribution.

Instead of swarms of individual traders contending with each other, each man doing things for which he is ill adapted, today we have vast corporations employing great numbers of people, striving to allot to each the task for which he is peculiarly fitted, and effecting economies which were impossible under the system of individual effort.

It has been said that every man has an absolute and a relative capacity—an absolute, in that he has been endowed with such a nature and such parts and faculties; a relative, in that he is part of the community and sustains a relation to the whole. It is well when a man realizes that he is a part of a whole and knows what part—suitable for what service.

In the midst of men organized, infinitely cross-related, bound by ties of interest, subject to authority, open to visions and desire, he seeks to find where he may enter and be a man among his fellows—to find his place among men and tasks, but he must also be prepared for discouragements and disillusion and learn to be content at first with a small reward for a big effort. One must learn to test one's will to do before anything worth while can be accomplished, but it is a fine ideal to feel that one ought to do something in addition to those things we are loyally and morally obliged to do.

### Captain of Industry

THE TROUBLE is that the great mass of men who bear the burden of the world's industry and make the world about us the pleasant place it is, are good but not great; receptive but not productive or creative. They do a fair day's work, earn a decent livelihood, and that is all.

A producer is one who watches progress all over the world and applies methods and devices which succeed at one point, at similar points elsewhere; he is one that can

make two blades of grass grow where one grew before; can see clearly great undertakings before they are accomplished; can calculate cost and profit; fill others with vision and induce them to share the cost in hope and profit, thus making a good thing for themselves, and best of all, for the interests they serve. Thus, one becomes a captain of industry and of value in the economic world.

The great national danger today is economic ignorance. The masses of people are beginning to think for themselves. If they do not have the training to think intelligently, they will bring disaster upon all of us.

WE HAD started to write something of Albert C. Bedford and the indebtedness to him of the National and International Chambers of Commerce, when this resolution of the Directors of the former body was called to our attention. It seemed to say all that we wanted to say and to say it better.—The Editor



UNDERWOOD AND UNDERWOOD, N. Y.

### IN MEMORY OF ALFRED COTTON BEDFORD

The Business World has lost a commanding leader.

International Good Will has lost an understanding friend.

American Trade has lost an exemplar of far-flung vision and enterprise, developing orderly employment and industry in every land, old and new.

American Ideals have lost a stalwart champion of the new concept of business, with its conscience and responsibility, as a field of human service as well as an avenue of individual advancement.

American Fame has lost a pioneer who made the name "American" synonymous with fair dealing, energy, resourcefulness and self-respecting trade service throughout the Orient, the Tropics and the Far East.

American Youth has gained the inspiration afforded by a completed career, which achieved the rewards of position and success by character, energy and ability.

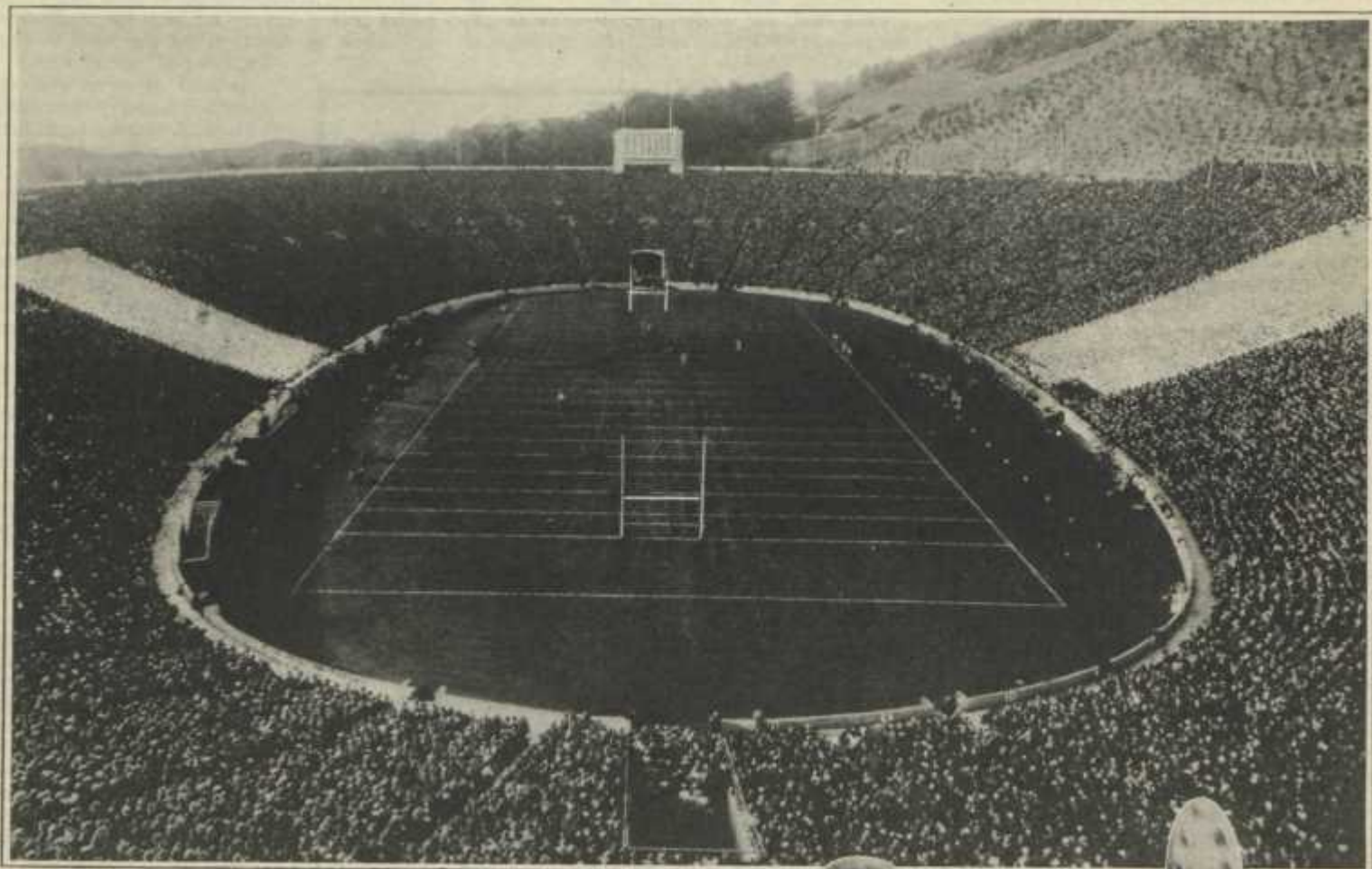
We, Officers and Directors of the Chamber of Commerce of the United States of America, who knew his qualities and his services, who valued his counsel and experienced his loyal unselfish aid, who held him in affection and regard, record thus our pride in his life and example, and record thus our heartfelt sorrow in his passing.

Not so many weeks before his death Mr. Bedford had occasion to address a group of Standard Oil workers, and we reprint here a part of that talk, because it gives the sound, helpful philosophy which underlay his business career.

of fire could be got from clumsy flintlock muskets, anticipated the efficiency of experts of today. Likewise those other soldiers who discovered the value of close-order drill in overcoming the terrors of the battlefield forestalled our psychologists.

Organization had long been applied to military affairs when commerce and manufacturing still were matters of individual effort by multitudes of small competitors, relying upon their native ingenuity and personal skill. Strange as it may seem, commerce and industry learn from war, and just as we are finding useful work for air-





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## Football—A Run for Your Money

By RAYMOND C. WILLOUGHBY

**K**ING FOOTBALL is on his throne. And none so poor they cannot do him reverence.

"Old grads," pretty girls, heroes of other days, chieftains and clerks, artists and artisans turn out to do him lip service. From near and far they come, a mighty host making hilarious holiday of the king's tournaments. While the crowd is gathering, young knights enter the lists and make ready for the tilting. Shrewdly speculating on the chances of their favorites, the good burghers and the country gentry lay wagers in coin of the realm despite the keen eyes of the sheriff's men.

The field is cleared of esquires, pages—and fourth assistant managers. Silence blankets all sound. It is the zero hour. The knights take their places.

"Ready, Princevard?"

"Yes, sir."

"Ready, Pennmouth?"

"Yes, sir."

A shrill whistle signals action.

Leather thumps leather lustily. A football soars aloft.

Twenty-two young men gauge its flight.

Down it comes—into the hands of one young man. He tucks it deftly under one arm and dashes toward the field's far end. Ten young men try to speed his pace. He flits in a zig-zag flash over the scarred turf, the artful essence of elusiveness. One, two, . . . six white lines are crossed. Nearer, nearer looms the goal.

### Wave on Wave of Cheering

**B**UT eleven young men converge upon his course. One of them brings him down. Again a whistle sounds.

And now on this oblong island of strife breaks wave on wave of cheering from the massed myriads in the towering tiers of the great gray pavilion—cheering for the gallant run, for the glory of *alma mater*, for the love of sport, for the sheer joy of living.

The game is on.

The pygmies in the pit struggle valiantly. Sharp

One hundred thousand persons—more than two world's series crowds—attended the University of California and Leland Stanford football game at Berkeley last November. This picture is not to be looked at in terms of people, but in terms of gate receipts. The man at the left represents nearly \$1000 worth of specialized equipment.

against the bleak November sky is the dark rim of the crowd. Its palpitant atoms bob up and down with the mechanical cadence of piano hammers. Flags flutter, and flowers flaunt college colors. Bands blare the old tunes. Cheer leaders exhort the faithful. Along the sidelines cameras click. Far up on the serried slopes of the stands, telegraph instruments chatter and voices boom through telephones—for King Football is a modern king and his world will pause in its work to take thought of the game, of its victors, and of its vanquished.

"Long live the king!"

At other games throughout the realm other thousands will look on and shout. The tumult on the field and the shouting from the stands are all part and parcel of the game's glamor and romance.



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They take no account of the preparations for the tremendous spectacle. For "big league" football—inter-collegiate football—is big business, a seasonal enterprise with millions of dollars invested in plant and equipment, and with millions of customers.

To make possible the captains' "Yes" to the referee's "Ready?" a good many men have worked long and hard. They are the men who draft the schedules, the men who shape inter-collegiate athletic policies, the men who consider the financial aspects of the sport.

This is the day and this is the story of the business management of inter-collegiate football.

The colleges have had no choice except to manage the business side of football in a businesslike way, and to meet their business problems they have turned to business methods of control and administration. The conditions that impelled the application of business methods have timely comment from Carl E. Steeb, business manager of Ohio State University:

Up to within perhaps a decade ago, and with only two or three exceptions, the management of inter-collegiate athletics was a comparatively simple thing. The administration of inter-collegiate athletics today, even in the smaller colleges, is anything but simple. It cannot be emphasized too strongly that this condition has not come about through any desire of the colleges themselves.

#### A Bit of Statistical Straw

**C**ITING Ohio State University as an illustration of the general increase of football attendance, he has provided convincing figures. For six years, ending in 1921, when the old field was in use, including three championship years and two years when Ohio State was runner-up in the Western Conference, the total attendance was 267,503. For the three years in which the new stadium has been in use, all of them losing seasons rated by the number of games won, the total attendance was 500,784.

This bit of statistical straw indicates the way the turnstiles were going last year. For during the season of 1924, more than 10,000,000 persons saw football games throughout the United States. On Thanksgiving Day the total attendance at fifteen of the most important games was 321,000. A new attendance record was made at the California-Stanford game with its 100,000 spectators. At the Yale-Harvard game 75,000 persons endured a drizzle that made a quagmire of the playing field.

When announcement was made that only 2,000 tickets for the Army-Navy

game at Baltimore would be available to the public, 4,000 optimists stood in line for hours at night. Harvard's eight games drew 331,000 persons. Yale had her thousands no less resounding. Princeton's season's attendance was 125,000, with Yale game accounting for 57,500 although the applications exceeded 165,000.

#### Millions Invested in Bowls

**T**HE ATTENDANCE at other outstanding eastern games was: Army-Yale, 80,000; Army-Navy, 80,000; Army-Notre Dame, 60,000; Pennsylvania-Cornell, 56,000; Pennsylvania-LaFayette, 56,000; Pennsylvania-Penn. State, 54,000; Princeton-Harvard, 52,000; Dartmouth-Harvard, 52,000.

The "big ten" of the Western Conference played before 1,500,000 spectators. Michigan's eight games attracted 340,000, and Notre Dame's sparkling play drew 269,000 for the total attendance at nine games.

Figuring on the basis of an average admission charge of \$2 a game, counting up the "gate" quickly gets into millions.

Stadiums, so-called "bowls," and grandstands from coast to coast are valued at millions of dollars. These huge structures vary from the classic lines of the true stadium, with one end open, to the utilitarian contours of immense concrete "dishes." Despite the vogue of concrete, wooden stands of uncertain age and architecture are the only seating facilities at many of the smaller colleges. Older specimens of the stadium type are the structures at Harvard, Princeton, and Syracuse. The Yale "bowl" set a new fashion. Later structures include the huge stadium at Ohio State and the equally pretentious war-memorial stadium at Illinois University. Brown and Pittsburgh dedicated their new stadiums this year, and Northwestern has planned a "bowl" to seat 54,000.

To keep these great plants serviceable, staffs of groundkeepers and painters are necessary. Maintenance of the fields does not usually im-

pense, but seats must be renumbered annually, and the item of repair, incident to a season's wear and tear, is always considerable. Wooden sections are, of course, more expensive to maintain than concrete sections.

Not all colleges are big enough to have the embroidery of a sports advisory committee, or of an athletic association, but when they do, the football schedules are usually drafted at a conference of the head coach, members of the advisory committee, and the controller or some other officer of the athletic association. The coach considers the schedule with regard to the "player material"; the advisory committee considers the phases of inter-collegiate policy involved; and the controller considers the financial aspects. These considerations include alternate recommendations for the schedule to make allowance for preliminary suggestions that may prove impracticable.

When the schedule has been drafted and duly ratified, the printing of tickets and the allotment of seats can be accomplished. Some of the universities and colleges issue special-rate season tickets for admission to all but the "big" games, the so-called "classics." Usually a cheering section is reserved for students who are willing to shiver a lung for the honor of their team.

For the "big games" a fixed number of seats are made available to the alumni—and getting the alumni to buy and buy promptly is another exacting job of the business office.

#### To Prevent Ticket Scalping

**G**AMES may come and games may go, but scalpers seem to be with them always. Various methods have been used to prevent ticket scalping, notably through the employment of detectives and the use of students to report the numbers on tickets offered for sale at prices higher than those fixed by the university athletic associations. The numbers so discovered are checked back to the persons to whom they were originally allotted. An explanation is then demanded and if it is not made or is not satisfactory, the original recipient of the tickets may be subjected to a "black list" penalty, which deprives him of his privilege of application either for a definite number of years or indefinitely.

The percentage of passes and complimentary tickets varies considerably among different universities and colleges. To illustrate—Yale, Princeton, and Harvard have agreed not to issue complimentary tickets for any of the games in which one of them plays another of the "Big Three."

Newspaper men are accommodated in a "press box," a designation that may signify anything from the most primitive facilities to a sheltered space including 350 seats and with



The cost of putting a football team on the field for a season varies considerably, but for the larger institutions \$75,000 is a reasonable figure

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Outside Palmer Stadium at Princeton on the day of the big game with Harvard. Every college and university has its big game, its season's objective. To present one of these intercollegiate "classics" requires an outlay of thousands of dollars, and the efficient disposition of an enormous mass of detail.

telegraph, telephone and radio installations. At important games in the East the larger New York, Boston, and Philadelphia newspapers frequently have four men on the "story"—one of them writing it play by play, one doing a "feature," and one dictating the high lights to a telegraph operator. The Associated Press and the United Press make reports by telephone, and radio organizations broadcast the games play by play. These services require an elaborate "hook-up" of circuits far from the scene of play.

### Putting a Team on the Field

**THE COST** of putting a team on the field for a season varies so considerably with the size and income of a university or college that a fair average would be difficult to determine. Considering only the larger institutions, \$75,000 would be a reasonable figure. This amount does not relate only to the twenty or more men on the 'varsity' squad, for there may be from 40 to 70 men on the scrub team, and 20 or 30 more, perhaps, may be in a special squad to learn the rudiments of the game. Included in the amount are:

- Guarantees paid visiting teams,
- Salaries of coaches,
- Expenses of presenting the "big" games,
- Traveling expenses of the teams,
- Uniforms and equipment,
- Training table,
- Cost of doctors, officials, rubbers, and medicines.

Guarantees paid visiting teams depend on their drawing power, interest in the game, and the facilities available to spectators—factors so variable that no representative figures are calculable. The pay of a brilliant coach may surpass the salary of a faculty member in the full tide of professorship—a situation that has given countenance to charges of "commercialism." Salaries of \$10,000 a year are not rare for head coaches.

Every college and university has its "big" game, its season's objective toward which the team has been pointed. This game is the season's emotional spree for students, alumni and their friends. It plays to standing room only. To present one of these intercollegiate "classics" requires an outlay of thousands and thousands of dollars, and the efficient disposition of an enormous mass of detail.

When a game is to be played on a foreign field, the business management must provide transportation for the first-string players, the substitutes and the retinue of trainers, rubbers and other non-combatants who support the shock troops.

During the season of 1924, 444 teams of

collegiate rank and 289 high school and academy teams played football—a minimum of 4,884 collegians, and 3,179 school boys to be uniformed. Considering the cost for a college team, a suggestive index to the bill for a squad may be obtained from the principal items of uniform and equipment for one player. These items, charged off at the retail price for the highest quality, would include:

Head harness.....	\$8.00
Shoulder pads.....	14.00
Jersey.....	9.00
Belt.....	1.25
Pants.....	15.00
Elbow pads.....	2.00
Stockings.....	4.00
Knee pads.....	6.00
Shin guards.....	2.00
Shoes.....	15.00
Ankle supporters.....	1.75
Nose mask.....	.60
Blanket.....	13.50

\$92.10

Although this estimate of cost is susceptible to considerable shrinkage by reason of discounts for quantity purchases and because many teams would be supplied with cheaper grades of equipment, it does provide a measure of the possibilities of expenditure for uniforms and protective accessories.

Whatever the price of this panoply, it must be paid every year, for no material can long withstand the service tests of football. Protective devices are more expensive when specially designed or made to individual measurements. With felt and leather these devices for head and body simulate the essential parts of mediaeval armor, the modern shields of a mimic warfare. Each of the devices was developed from a painful mishap with a story all its own, for "without danger the game grows cold."

### Little Things That Count

**FOOTBALLS** come high. The official intercollegiate ball is listed at \$10, and when 200 balls are required in one season, as at one college, there is ground for a kick from the business office.

Bumps, bruises, and sprains are treated by a staff of doctors, trainers, and masseurs. On the sidelines during a game, doctors' paraphernalia is kept in readiness. Many gallons of liniment are bought and considerable quantities of alcohol—for external use only—are consumed. Every trainer lays in a supply of his favorite "dope" for rubdowns.

Wholesale quantities of splints, gauze, adhesive tape, absorbent cotton, and epsom salts are used. Towels by the dozen are needed, for though the players may be "muddied oafs at the goals" when on the field, they are gentlemen and scholars at other times. Training tables, with their specially prepared foods, are luxuries and must be paid for accordingly.

It's the little things that count, and the football economist must find ways and means to get brooms, brushes, thread, needles, pins, ropes, chalk, inner soles, moth balls, sponges, rule books—rosin to help wet hands grip wet balls, wire brushes to loosen mud from uniforms, putty knives to loosen mud from cleats, electrical apparatus to "bake" sprained ankles, wrists, and shoulders, and boxing gloves for use in training.

### Vendor a Familiar Figure

**GOAL** posts, apparatus for marking the field, blankets, and linesmen's equipment last from one season to another, but must nevertheless be reconditioned and repaired from time to time.

Even at games where students do not sell wares in the stands, the itinerant vendor is a familiar figure in all streets that lead to the field of play. "Giddyuh winnin' colors," he wheedles in a sing-song monotone. His sharp eyes search the throng for any partisan inclinations that may expedite sales, though his fluttering stock of pennants and armbands shows that he plays no favorites in the day's jousting. On every hand mobile merchants contend for custom with conflicting invitations to eat, drink, and be merry. Seemingly, a football crowd travels on its stomach rather than on college spirit.

All ushers know that football crowds are notoriously tardy and seem to want to tell the world about their delayed arrivals. To them the day is a holiday—"Is the king to be anointed without boisterous mirth and prankish jollity?"

"Are we downhearted?" asks a fat broker from down the Hudson.

"Hell, no!" croaks a gaunt pilgrim from another shore.

"Order!" shouts an usher.

"Give us beer!" wails an irreverent voice.

The milling crowd boils through the narrow passageways, and simmers slowly down into the seats—a gigantic, noisy frame for the stirring picture at its feet.

The picture comes to life.

"Long live the King!"

And so he will—if he has good business managers.



# Art in Industry

By LEWIS GALANTIERE

**W**ITH Mr. Galantière, the editor of *NATION'S BUSINESS* visited the Industrial Arts Exposition at Paris this summer. It was different from anything in expositions we have ever had in the United States. It seemed to indicate a striking present-day tendency in industry to make things useful and yet to make them beautiful.

We all regretted that America was not represented at the Exposition. But some of us did not agree with the critics who said that this country had nothing of particular value in original design to offer. American industry could have learned a deal from European designs—and could have made no little contribution itself. This is not an idle boast, but simply a statement of fact.

Mr. Galantière showed such sympathetic understanding of the Exposition, and particularly of its relation to the United States, that we invited him to write this article for us.—THE EDITOR

**I**N 1919, the French Ministry of Commerce considered a proposal for an international exposition of the development of art in industry. But not until the beginning of the present year were Parisians vaguely aware of a transformation in the aspect of their city.

Curious skeletons of buildings arose along both banks of the Seine between the Concorde Bridge and the Place de l'Alma. Instead of running as usual along the quays above the river, the route of the trolley lines was suddenly deviated, and passengers were thrilled to observe that the trams in which they rode were gliding within a few feet of the water, low down beside the stone channel. A new bridge, exclusively for the use of pedestrians, was thrown across the Seine only a few feet away from the age-old Concorde Bridge.

The Alexander III Bridge, the pride of the exposition of 1900, was suddenly closed to traffic, and queer little huts commenced to line it on both sides. Those who had visited



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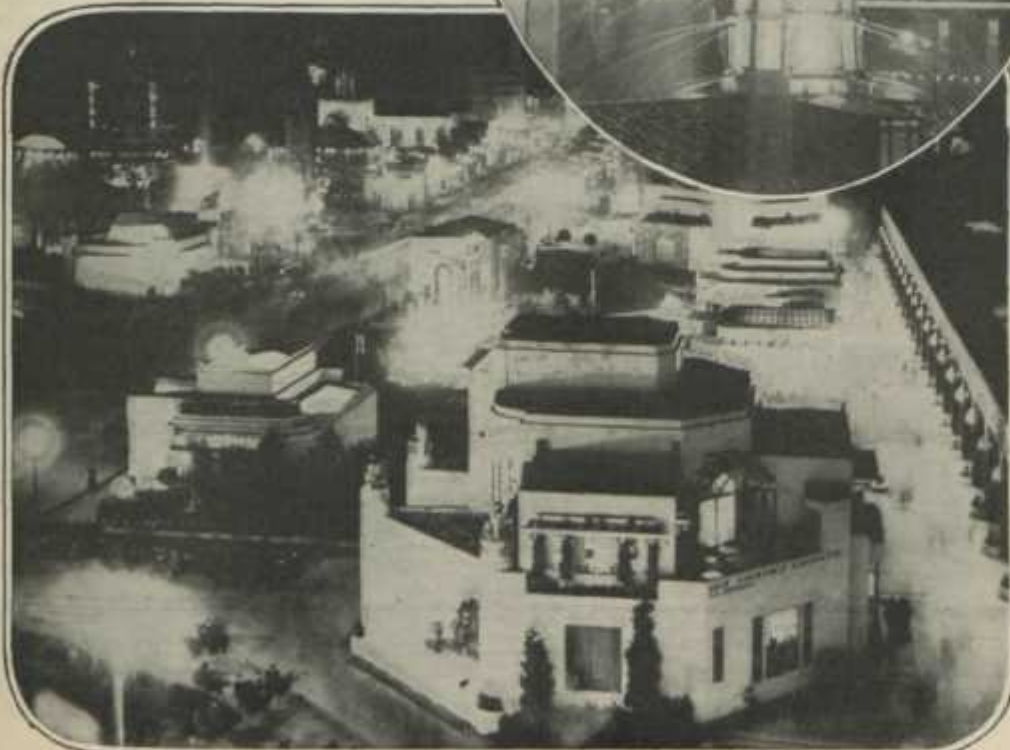
The Industrial Arts Exposition at Paris had nothing in common with the traditional world's fair. There were no gingerbread palaces made of plaster and lath, no imitation Greek sculpture. The pictures on this page show the entrance of the Quai d'Orsay, the Lalique Fountain and a general view of the exposition.

Florence were reminded of the houses built on bridges over the Arno, while others remembered old engravings of the Pont Neuf, which still exists opposite the city prison of Paris and which, until about one hundred years ago, was bordered with the booths of hawkers and vendors and jugglers of various sorts. Curves and angles were projected into the sky; outlandish shapes and colors arose to trouble the vision of the taxi-drivers who took people blocks out of their route because they no longer knew where they were.

## Example of French Enterprise

**T**HE Parisian grumbled as is his wont and declared to all who stopped to listen that Paris was being ruined by this stupid and ugly exposition. Like the old-time soldier, your Frenchman loves to complain. Furthermore, he is a traditionalist and he dislikes novelty almost as much as the Englishman does. Slowly and reluctantly, he consented to have a look at the exposition. When it opened last April, he announced that it was a disgraceful farce, but now he praises it to the skies as an example of French enterprise and leadership in the arts.

Naturally, it bowled him over at first sight. It had nothing in common with the traditional world's fair. There were here no grotesque curlicues, no plaster-of-Paris statuary in imitation of Greek sculp-





ture; no gingerbread Renaissance palaces made of plaster and laths, and labeled "Machinery Building," or "Agriculture Building." Instead of these, the Parisian saw neat, trim, airy little structures in styles he had never imagined arising on every hand. He saw a building marked "Czechoslovakia" which was painted a blood red, and he didn't know what to make of it.

### Class of Subjects Limited

HE SAW the Soviet building, which looked like a shattered airplane lying on its side, the frame filled in with huge glass walls. He saw the British pavilion, one of the poorest of the lot, looking like George IV's villa at Brighton, a multicolored mixture of the romantic Victorian idea of a Turkish palace and a sort of Walter Scott Saracen mosque.

These, it may be said, were the greatest mistakes, though not the wildest experiments, of the lot. With the commonplace, pretentious Italian building, all stucco and mosaic, they represent the worst that can be said of the architecture of the exposition.

Other pavilions and structures more than

high. Nothing looks more like a scene out of the German cubist film, *Doctor Caligari*, than a photograph of the exposition taken at night.

This is the first international exposition in which a restricted category of subjects is shown on a grand scale, and it seems to point to the fact that future great expositions will be similarly limited. Industrial and artistic activity all over the globe is now so diversified, the sheer quality of objects worthy of display is now so staggering, that a real world's fair of the old kind, comprehending agriculture, machinery, the fine arts, the sciences, and all the applied arts, is perhaps physically impossible to stage. There is no doubt that the organizers of the Paris exposition of 1925 were wise to limit themselves to the industrial and decorative arts.

The first of the great groups of exhibits is architecture. Models of homes, apartment buildings, shops, gates, and other architectural features are shown. The change in taste in the first quarter-century is here very marked. Not so long ago the Paris Opera and the Casino at Monte Carlo set the style in architectural horrors for the whole world.

Today the distinctive features of such construction—stone-carved cyclamen, iris, fig-leaves, pineapples or symbolic statuary of Pomona, Justice, Civic Pride, etc.—have all disappeared.

In Europe, Germany and the Scandinavian countries have taken the lead in simple treatment of decoration. Low relief replaces sculpture. The curves and loops of the beginning

of the century, one of the ugliest periods, architecturally, in history, are gone.

Here, of course, the absence of American participation was keenly felt. American architecture is the finest in the world, because it responds most completely and ideally to modern life. Models of American office buildings, warehouses, factories, apartment hotels, country houses, and bungalows would have been a revelation to Europeans. The extent to which this is true is well realized by anybody who has seen samples of contemporary domestic architecture in France, or the gray hideousness of the buildings on the outskirts of London.

The second group is called "furnishings" but its net is cast very wide, for it includes books, toys and games, musical instruments, scientific instruments, and the equipment of passenger accommodations by air, water, rail, and motor. The central feature of this display is a long gallery of completely furnished rooms. The fragility of Louis XV or Chipendale design is a thing of the past. Only the finest grades of wood are employed and every exhibit suggests massive weight. Tables are heavy and free from adornment.

### A Sense of the Practical

MOST of the armchairs are squat in shape, the seat very low, the chair built of three panels of beautifully grained wood, solid from the arms and back to the floor. Leather is less in evidence than woven fabrics and solid-color velours. The lighting fixtures are generally placed with an admirable sense of the practical (which is a novelty in European lighting) and the fixture designers have used their imagination to charming effect.

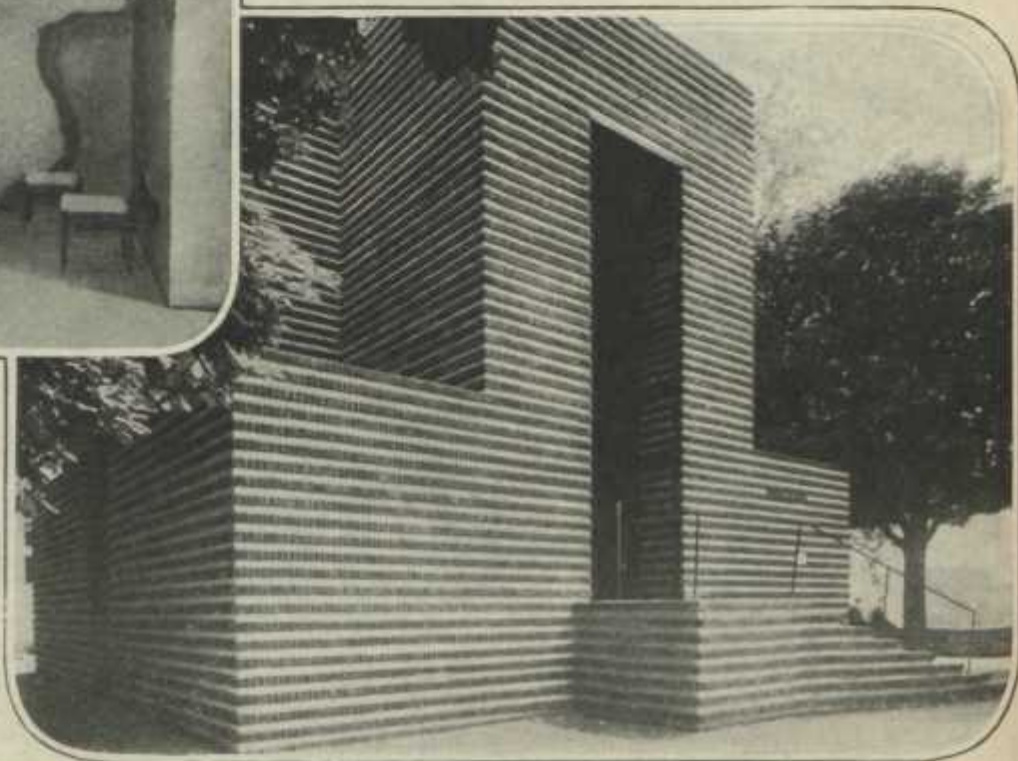
The new pottery, porcelain, and glassware, particularly from Orrefors of Sweden, the Viennese Workshops, and Lalique of Paris, is incomparably finer than the imitations of Oriental and Dresden ware and Bohemian and Venetian glass to which we have been treated in recent years. As for the textiles particularly those from the Lyons silk manufac-



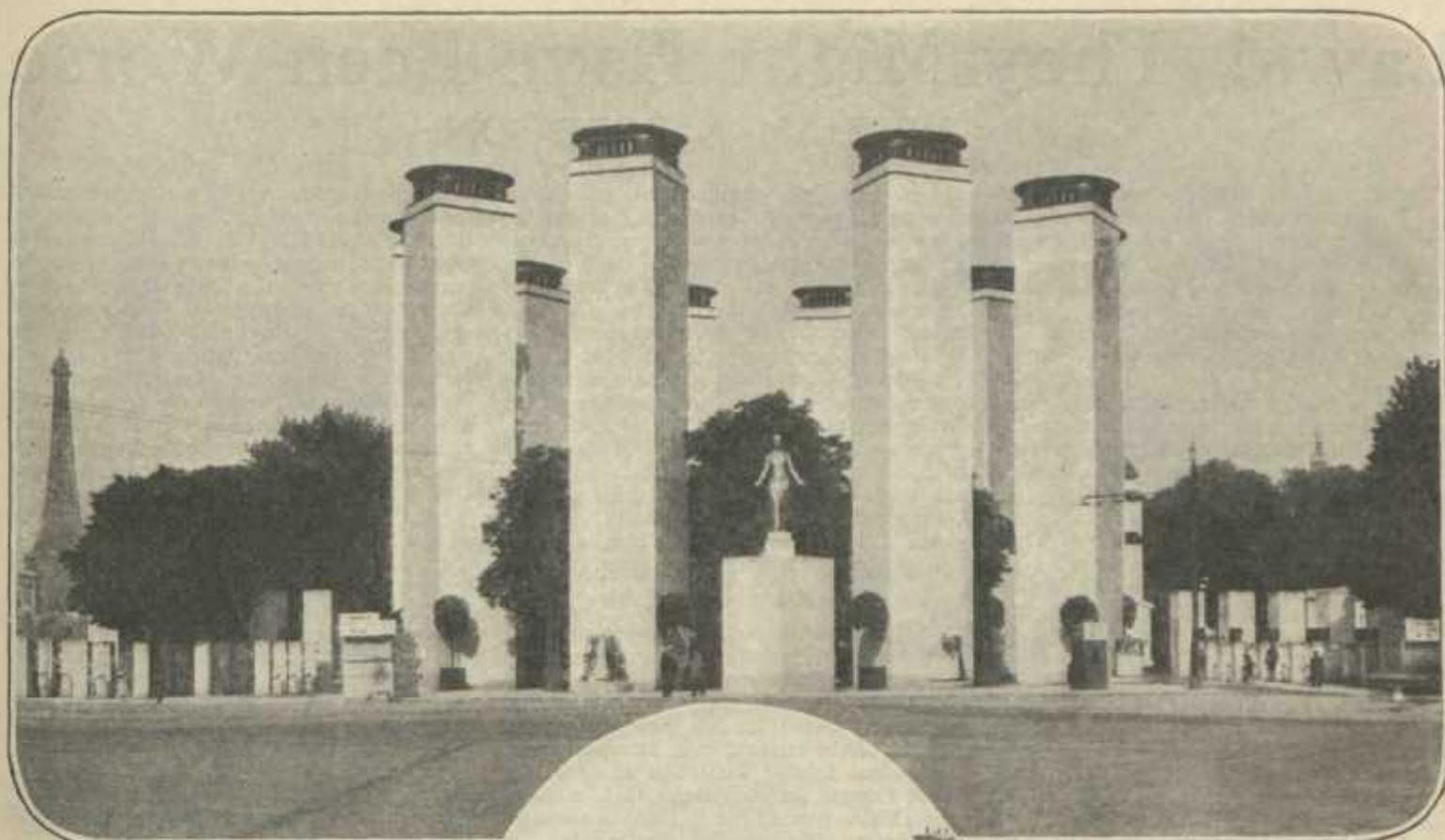
Interior and exterior views of the Danish Pavilion, a building of red and gray brick, built in the form of an archaic cross. Germany and the Scandinavian countries have taken the lead in simple treatment of decoration. The curves and loops of the beginning of the century have disappeared.

made up for them: the Dutch building, an agreeable little house of brick; the Japanese pavilion, with its spotless, well-balanced interiors; the Danish headquarters, an archaic Danneberg cross in gray and red brick; the perfectly proportioned Greek building; the colorful Turkish pavilion; the characteristic pavilions of the various French provinces.

With these may be mentioned the Gate of Honor at the head of the Alexander III Bridge which, inspired by primitive African sculpture, looks like a series of church organs set in a row; and the Concorde Gate, composed of nine square torches made of concrete and built about one hundred feet







The Concorde Gate, composed of nine square towers of concrete about 100 feet high, one of the outstanding structures. "Only works of real originality and fresh inspiration" were admitted to the exposition.

turers, they are superlatively rich and splendid in color, and novel yet satisfying in design.

With regard to this group, it may be said that America missed a significant opportunity to prove that furniture may be at once modern and homelike, and that great expense is not necessary to achieve comfort.

The third group, called "adornment," relates to clothing, accessories, and jewelry. It would have been pleasant, in this group, to see at least one pair of American shoes placed beside the flimsy and ill-shaped footwear exhibited by European manufacturers.

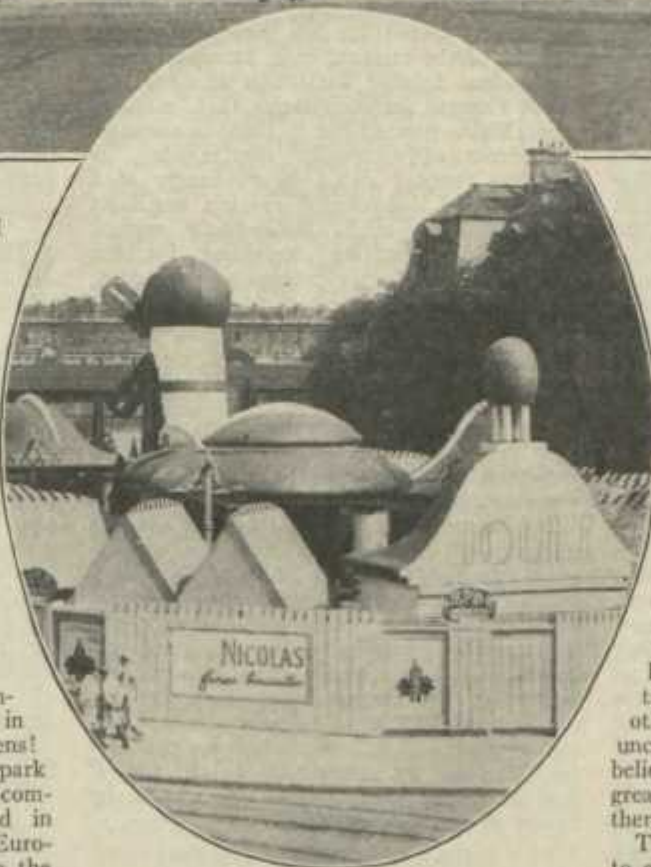
#### An Opportunity Missed

WHAT a chance American town-planners and landscape architects missed in group four—theaters, streets, and gardens! I have only to remember the Chicago park and boulevard system to realize that no comparable effort has yet been conceived in Europe. And those who have been in European theaters—nearly all of which have the appearance and the safety of old-fashioned small-town opera houses—have some idea of what might have been the American contribution to this section.

A fifth group, concerned with education in arts and crafts, is exceedingly interesting, chiefly because several hundred French school children are continuously at work on stone, wood, metals, paper, textiles, pottery, glass and a variety of other materials.

The modernity of the architecture, as well as of the exhibits, is explained by Article IV of the Regulations of the exposition, which specifies that:

"Only works of real originality and fresh inspiration shall be admitted to the exposition. Copies, imitations, or counterfeits of old styles, shall be rigorously excluded."



A glimpse of Toy Town at the exposition. Every civilized country was represented with exhibits of some sort except America and Germany.

The result of this restrictive provision has been astounding. It has wiped out, in a single gesture, all the fake reproductions of the familiar styles, and made it incumbent upon every exhibitor to produce something that springs from his own brain and his own taste. It has proved beyond all cavil that the thing we call vaguely "modern art" is not the product of a few lunatics in our own country—whether we be Americans, Frenchmen, or of any other nation—but is an authentic international movement. With the exception of the United States, which declined to participate, and Germany, which

was not included in 1921 when the original invitations were sent out, every civilized country of the world is represented at the Paris exposition and in all of them, the "modern" spirit is manifest.

#### The Lesson Is Plain

THE lesson to be drawn from this exposition is plain: It is that the old decorative motifs are dead. Those decorators and designers—whether of furniture, houses, or jewelry, who feel some contact with the life about them, have seen that it is no longer possible to take Greek, Roman, Gothic, Baroque, or other "classic" motifs and employ them unchanged in modern design. If we are to believe what we see at the exposition, these great standards of beauty are exhausted; there is nothing more to be done with them.

The business men of the world have begun to establish the political and social principles which will henceforth guide the peoples of the earth. In the same way, the industrial civilization in which we live will determine henceforth our artistic expression. This discovery—for it is no less than a discovery—is of the highest importance.

It signifies that the industrial civilization, which has produced the automobile engine, the skyscraper, the sanitary bathroom, is to be perpetuated with the aid of those whose concern is with the beautiful as well as with the utilitarian. Art and industry are seen to work hand in hand all over the world. A new liaison has been established between the manufacturer, intent upon making his product serviceable, and the artist in his employ whose business it is to see that the manufactured object satisfies the eye of the purchaser.



# Laws! They Might Have Been Worse

By WILLIAM A. ROBINSON

ONE OF the striking developments in American polity has been the decline of confidence in the legislative branch of our governments. There is lip service to the theory of separation of powers, but many feel that the executive and judicial departments have been enhancing their power and prestige at the expense of the representative bodies.

"It is no wonder that many people are concerned, if not terrified, over every approaching session of the General Assembly," wrote Governor Donahey of Ohio in the course of one of his veto messages a few months ago. "If future General Assemblies will keep on piling up taxes and creating jobs at the rate of this and recent ones, what may we expect in another twenty-five or fifty years? Unless a halt is called soon, the time is too near for comfort when one half of our population will have to pay the taxes to keep the other half on the public pay-roll."

Chambers of commerce, bar associations, the taxpayers' leagues, and countless other organizations and individual citizens are protesting at the continued increase in statute law, but the flood continues unabated. North Carolina enacted 1,173 measures, New York 686, Tennessee 812, Indiana 218. The total output of this year's sessions was probably between 10,000 and 12,000 enactments. While it is true that many of these enactments are not "laws" in the sense of prescribing general rules of conduct, but mere administrative regulations of local or special application, there is a large enough residuum of genuine law to hamper and embarrass the conduct of business and personal affairs and to increase the difficulty of keeping out of jail.

## Crimes Have Been Invented

"CRIMES have been invented and multiplied until there is scarcely a human activity that is permissible without violating some law," remarks Governor Blaine of Wisconsin in vetoing one of this year's additions to the criminal code. "This constant invention of offenses and multiplication of penal statutes has brought about a psychology that looks upon the grave moral offenses as no worse than the least of the offenses. There are those who look upon murder as no more certain of prosecution than infractions of prohibition or Sunday observance laws."

The most notorious of recent enactments, the Tennessee anti-evolution law, was signed by the Governor with the comment that the law would probably never be applied. "It may not be sufficiently definite to permit any specific application or enforcement. Nobody believes that it is going to be an active statute."

We have tried to restrain our law-making bodies by a variety of methods. Constitutions have been lengthened by the incorporation therein of a vast amount of statutory material until it has been suggested that an efficient administrative organization controlled by a convention meeting at regular intervals might permit the abolition of the legislative body. Sessions nearly everywhere have been made biennial, and their length curtailed. Special and local enactments have been forbidden.

The courts regularly declare a considerable number of measures unconstitutional. The

abused "lobby" frequently defeats undesirable measures, especially where it is the agent of taxpayers or similar citizen organizations, but its usefulness is decidedly limited.

The executive veto at the present time is the most valuable check. What the veto power means to the American people can be seen by examining the work of a few representative governors during the legislative sessions of 1925. None used the axe as freely as Governor Richardson of California, who vetoed or pocketed upward of 500 measures, but the essential features of this power can be found in the acts of half a dozen other executives. All the futility, extravagance, and carelessness of our legislation can be illustrated in a few typical cases.

## Slipshod Statute Making

TEXTBOOKS on American government and law contain classic illustrations of slipshod methods of statute making. The supply is not likely to diminish. The Wisconsin legislature passed an act amending those sections of the criminal code prohibiting bird and animal fighting for which an admission fee is charged, in such terms that, as Governor Blaine pointed out in his veto message, the owner of a warlike rooster, dog, or prowling tom-cat would be in danger of a jail sentence if he failed to stop hostilities in which they might instinctively engage.

Of another statute, providing for the licensing of real-estate brokers and salesmen, but exempting any person who is "a relative" of the seller or buyer, Governor Donahey of Ohio remarks:

"The bill does not define a relative. It presumably includes a thirty-second cousin. Under this provision genealogies may become as important as abstracts of real estate. In litigation involving this section the courts would probably have to decide the controversy between the fundamentalists and the modernists."

On April 23, Governor Smith of New York applied a blanket veto to fifty-two measures because "they are either duplicates or unnecessary, or defectively drawn, or are embraced in or in conflict with bills already signed, or are unconstitutional, or are for purposes which can be suitably accomplished under general laws, or should be provided for, if at all, by amendment to the general law, or are objectionable or inadvisable by reason of proposed changes."

## Impose Intolerable Burdens

ANOTHER veto message of the same date killing a batch of eighteen bills raising salaries and creating additional positions in the public-school system, the courts, and county offices of Greater New York, is full of instructive comment. While the veto was primarily on the ground that the local authorities should control expenditures, the governor points out that the vetoed measures involved an increase of \$15,000,000 to the local tax bill, and that under the rent laws the landlord could pass the increase to the tenant.

It is in financial legislation that recklessness is most apparent. In every state there are always scores of measures involving the spending of money. Many of them are intrinsically meritorious, many appeal to phil-

anthropic instincts, but in the aggregate they impose an intolerable burden. In vetoing an increase of \$157,000 for the Conservation Department, Governor Blaine declares that its passage was due to a lobby that insolently attempted to bludgeon the legislators and executive into supporting "a movement whereby private organizations would attempt to substitute their whims for government."

The individual is continually seeking relief from the public treasury. Thus in Massachusetts, Governor Fuller was obliged to veto pension-increase bills because "pension systems at best are becoming a tremendous burden to the taxpayers of the commonwealth."

In Minnesota, a certain veteran refused to meet the terms of the law whereby those financially able could contract for support in the Soldiers' Home. To benefit this individual the legislature abrogated the statute under which numerous old soldiers were paying for their own care and added \$25,000 to the tax bill. A veto by Governor Christianson defeated this effort.

The same governor by use of the veto eliminated more than \$1,800,000 from appropriation bills with an expression of regret that he could not reduce items and save further sums.

## Expenses Continue to Grow

GOVERNOR DONAHEY, with the comment that "those vested with the responsibility of administering government should cut their garment to fit the cloth and practice in time of governmental need the virtues of sacrifice, economy, and self-denial," vetoed miscellaneous items totaling more than \$2,000,000, but the legislature repassed the measures over his veto.

And so it goes. There has been notable progress in Federal economy but state and local expenditures continue to grow. In most states the appropriating and revenue-raising machinery is antiquated and defective. Admitting that mere changes of mechanism cannot produce reform, there can be no question but that an adequate budget system permits public opinion to concentrate on a program of essentials and eliminate an enormous amount of log-rolling and waste.

Governor Smith's comments, in vetoing the budget bill which the legislature passed as a substitute for the constitutional amendment he had long advocated, furnished the explanation to a great mass of bad financial management. The New York situation is no worse than that in a majority of the states. The proposed amendment concentrates responsibility for budget preparation in the executive, requires adequate tax levies to balance expenditures and restricts the power of the legislature to make supplementary appropriations or increases in the recommended items.

Of this legislative substitute Governor Smith remarks in his veto, "It is a fraud. It is not an executive budget at all. It has been dressed up to look like the budget system in Washington. . . . It simply provides that the governor shall prepare a budget without any provision as to what happens afterwards. It insures that the present condition will continue, under which the legislature can throw the executive budget into the waste basket."



# Cutting Out Waste in Distribution

By A. LINCOLN FILENE

Treasurer and General Manager, Wm. Filene's Sons Company, Boston



Cartoons by  
J. Norman  
Lynd

**T**HERE ARE practices in the dealings between manufacturers, wholesalers and retailers for which "unethical" is the mildest term. None of us would call commercial bribery, untruthful advertising, or fraudulent bankruptcy by any gentle word.

There is also a class of trade abuses which in a broad sense is unethical but which may, under some circumstances, have behind it a shadow of justice.

Needless delay in deliveries; returns of merchandise for causes other than damage or failure to conform to specifications of an order; cancellations of orders—these are all things which no decent producer or distributor wishes to do. Yet, situations arise when the call of self-protection is strong and both the producer and the merchant are tempted to do such things.

A change in price levels over which the buyer has no control may make the fulfillment of a purchase highly dangerous. Or a serious loss may be avoided if merchandise can be sold on a rising market to a customer who will pay the current price and not delivered to a customer who has contracted for it at a lower figure.

## To Me Waste Is Wickedness

**B**UT THESE unethical practices are not the great causes of economic losses. Far greater, measured in money, are the wastes due to lack of standardization of merchandise, to too many varieties of the same type of article, to needless irregularity in the flow of orders. These are features accompanying ordinary business operation which cost consumers, employers and employees hundreds of millions of dollars a year. Some day we shall describe wasteful practices as unethical or even by a stronger term. To me waste seems a form of wickedness.

We cannot trust to abstract righteousness, or to a simple acceptance of honesty as the best long-run policy, to remedy the abuses and wastes that mark the relations between producers and distributors.

They demand for their solution the establishment of confidence among business men, a painstaking research into causes, and machinery—controlled and supported jointly by producers and distributors—to convert the results of research and good intentions into action.

Arbitration has been very successful in settling trade disputes when they have reached an acute stage. Codes of ethics within the trades, particularly when they are made specific and when the organization is strong enough to enforce them, are big steps in a forward direction.

Trade relations committees within the trade associations are helping the cause by informal

adjustment of disputes and by education. Other organizations, representative of several trades, such as the Commercial Standards Council, the Associated Advertising Clubs, etc., are working to correct abuses common to many trades. But the surface of the subject will only be scratched until manufacturers, wholesalers and retailers get together and resolve to spend time and money to do a really efficient modern job.

It is necessary only to call attention to the complications that any single case of a trade abuse may present to demonstrate how deeply we must probe to eliminate the causes of bad trade relations.

Suppose that a retailer returns to a manufacturer merchandise which has been bought on a bona fide order. The retailer or rather his buyer, may discover some minor flaws in a few articles and send back the whole lot as damaged. Both the buyer and the manufacturer know this to be a pretty flimsy excuse. To add insult to injury, the shipping room returns the goods in an improper container, badly wrapped.

We are now in a buyer's market, which gives the retailer pretty much the whip hand. In the period of post-war inflation, when prices were soaring and deliveries almost out of the question, the salesman of this hypothetical manufacturer, anxious to make a good showing and to increase his commissions, may have persuaded the buyer, who is now returning goods, on a flimsy excuse to buy a large order of merchandise against advancing prices.

## And the Goods Didn't Come

**T**HE BUYER bit. He ordered heavily and the goods didn't come, or came in dribbles. Finally, when the season was almost over and prices had slumped, the bulk of the goods arrived. The buyer quite naturally resolved that the next time he ordered he wouldn't be caught napping, so when he bought again he ordered more than he needed and perhaps ordered from two or three other manufacturers, to make sure he would not be caught.

This time he received more goods than he needed, and made the manufacturer a

victim of his return of merchandise—tit for tat.

By the time the goods come back to the manufacturer he has forgotten, perhaps, the past history of transactions with the buyer's firm which gave a show of justice even if they did not entirely excuse the buyer's action. The manufacturer is indignant, but the salesman who started the transaction on its vicious circle by his original over-selling persuades the manufacturer not to make a fuss over this transaction for fear of losing the buyer's good-will and future trade. And so the returned goods are taken back into stock, disposed of later at a loss, and the manufacturer, being human, thinks that if he ever gets a good chance he will do as he has been done by.

Fundamental factors of economics and human relationships are woven deeply into many a case of return of merchandise and many another trade abuse which looks so simple on the surface.

## The Spirit of Retaliation

**T**HERE is price fluctuation, a market at one time working for the producer's benefit, at another for the distributor's, constantly modifying the distributor's attitude toward the value of the manufacturer's merchandise and the manufacturer's attitude toward the value of the distributor's trade.

There is the separation of the manufacturer as principal and the retailer as principal in the dealings between the two houses. The salesman, not the owner, over-sold the buyer. The buyer, not the store owner, returned the goods. But so dependent have both sides become on subordinates that the buyer's good-will counts a lot more to the manufacturer's business than the presumed good intentions of the store owner.

The spirit of retaliation played a big part in that hypothetical return of merchandise. Trade abuses are largely the result of buyers and sellers chasing each other around a vicious circle.

When the buyer returned the goods he may



have had a feeling, despite his resentment against the manufacturer's past actions, that he was not doing a square thing, but there was no law or code of practice governing the dealings between both sides which said definitely, "Returns of merchandise will be allowed only under such and such conditions, except by mutual consent of both parties to the transaction."

Moreover, there was no recognized impartial tribunal to which a dispute over a merchandise return might be referred.

I see the first step in the prevention of unethical and wasteful trade practices among manufacturers, wholesalers and retailers as this:

An impartial body of producers and distributors should be set up to try to correct trade abuses. Out of re-established confidence between both sides, which would inevitably grow out of the settlement of trade abuses and the discovery that both sides are to blame, would come joint action to correct the fundamental breaks and hitches in the production-distribution system.

### Energy Is Dissipated

**PRODUCERS** and distributors are the reason of each other's existence. Instead of practicing guerrilla warfare for an occasional advantage which the next swing of the price pendulum will upset, each side might well devote its energies to making the other successful, thus assuring its own prosperity.

When the retailer gets an opportunity to expand his trade along lines favorable to himself, the manufacturer's trade expands along with it. Vice versa, when one side tries to hurt the other, energy is dissipated in bickering which should be devoted to creating new business economies, and producers, distributors and the public pay the cost of waste.

In the sea of uncharted trade relations, one of the great danger spots is the dealings between retail and wholesale concerns which carry many kinds of merchandise, and the manufacturers who sell to them.

A department store deals with manufacturers in widely separated lines. The problem of trade relations for the owner of such a store is a serious one, when he finds himself asked to adjust his business practices in accordance with the practices prevalent in the particular industry with which he is having dealings. A similar difficulty confronts the manufacturer who discovers that department-store ways of doing business are not always akin to those followed by the drug store, the hardware store, the grocery store, or other specialized retailers to whom he sells his product.

Such ideas were circulating in the minds of many manufacturers, wholesalers and retailers a few years ago. They finally crystallized in 1923 in definite plans for the establish-

ment of an organization known as the Joint Committee on Trade Relations. This body was equally composed of representatives of manufacturers' and wholesalers' organizations on one side and of retailers' trade associations on the other, with a chairman representing the public. We wanted the chairman to

clearing house for trade disputes. Suppose a retail concern was in the habit of returning goods on what appeared to be false or unimportant claims. A manufacturer or wholesaler who had had this happen two or three times might decide to bring the matter to the attention of the clearing house.

The clearing house would accept this complaint with the understanding that the retailer was probably a good customer of the manufacturer whom the manufacturer desired not to offend. Therefore, if the complaint were taken up with the retailer, no name would be used. In fact, with the assent of the manufacturer it might be decided not to press this particular claim but to wait and see if other claims did not come in from other manufacturers.

When there was a substantial body of evidence that the particular retailer was doing unethical things, it would be much easier to persuade him to desist. Also, the identity of the individual complaining manufacturers would be better protected.

We believed that nine times out of ten a retailer or a manufacturer so complained against would cease his unethical practices. If he felt he had a side which the complainants were overlooking, he would urge the clearing house to hear both sides that an impartial judgment might be rendered. If the manufacturer or retailer persisted against all warnings, the clearing house would report his name to the trading associations to which he belonged and leave it to its members' good sense to discipline the offender for the reputation and good of their trade.

We expected, furthermore, that as decisions on trade disputes increased in number, and types of unethical practices and their causes were unearthed, we would be building up a sort of common law of business relations. The existence of a body of rulings on trade practices would undoubtedly have a tendency to prevent many abuses.

Naturally, we wished to make the membership of the association representative of as many trades as possible.

### Basis of Confidence

**THE** biggest gain which I, as one of the supporters of this movement, hoped to see come from it was not merely the saving due to prompt settlement of current trade abuses and their gradual elimination through clarification of and greater respect for trade practices. Beyond these very important things, I had always in mind that a joint body, by doing away with the petty frictions which keep producers and distributors apart, would establish a basis of confidence such as existed when industry was young, when the manufacturer and the store head lived in the same town and were on friendly terms. With mutual confidence and respect between

**I**F SMITH'S Department Store returns a shipment of pink silk stockings to Jones, manufacturer of the stockings, ostensibly because the stockings are not as specified but actually because a fad for pink stockings is declining, who pays the loss? Smith, Jones, or Mrs. Robertson, who buys her stockings from Smith? Perhaps all three—certainly Mrs. Robertson pays part, if not all.

Or if Jones doesn't send Smith all the pink stockings he ordered because he can sell the balance to Brown for more money, what shall be done to Jones?

Mr. Filene, who is chairman of the Committee on Trade Relations of the National Chamber's Distribution Conference, believes that not only these but the greater evils of too many styles, lack of standardization and unevenness of production, can be remedied by a neutral clearing house of makers and sellers.—The Editor

assure neutrality and to relieve the public mind of any suspicion that producers and distributors were to stop fighting each other in order to combine against the consumer. The representative of the public chosen, who was chairman of the committee, was the president of the College of the City of New York.

The job of this body was, first, to act as a



/NORMAN LYND.

We are now in a buyer's market which gives the retailer the whiphand



producers and distributors, they would move quickly toward the elimination of the major underlying wastes in our economic system.

Some of the wastes which can be solved by joint action and can only be solved in this way are:

1. The elimination of unnecessary variety in articles designed for the same use. The carrying of many styles with slight differences among them increases the retailer's stock on hand and cuts down his turnover rate. They inject a highly disorganizing speculative element into the operations of manufacturers and wholesalers and cost them dearly in advertising, sales and factory expense.

#### Merchandise Standards

2. The adoption of merchandise standards and a standard terminology to describe merchandise. Perhaps no one thing would more improve relations between producers and distributors and between distributors and the public than standardization. The retailer far too often knows that the goods which he has in mind when he signs an order will not be the goods which he receives, yet he has no standards by which to criticize, and the public for most kinds of merchandise is unable to discriminate between real worth and false appearance.

3. To bring about a more even flow of business by spreading the retailer's orders over a longer period of time. This would enable the manufacturer to plan his production for the future economically, instead of having to rush into the market at the last minute to purchase raw materials and hire labor at high figures. Again, the retailer, when a seller's market is in force, should not be obliged to risk loading himself with unsalable goods simply because the manufacturer

is strategically able to dictate that orders shall be placed very far in advance of the season.

This conflict between producers and distributors as to when goods can be manufactured is closely bound up

be able to order with confidence greatly in advance.

Not the least gain from the stabilization of the flow of business would be its effect on the regularizing of employment.

#### To Solve Problems

THESE major wastes, which I believe can be solved co-operatively, are sufficient to illustrate the value of such a joint trade-relations body as was contemplated. Unfortunately, that movement lapsed for the time being. But it will be revived. The idea cannot be stopped. Joint action by producers and distributors to solve the problems which pertain to them both and to the public will be undertaken—the sooner the better for our national prosperity.

The importance of the problem of trade relations was recognized by the National Distribution Conference convened in Washington under the auspices of the United States Chamber of Commerce. Discussions at the conference indicated that a study of the subject would develop knowledge of methods of reducing losses due to unethical practices and to misunderstandings between producers and distributors. A committee was established to make a survey of the subject of Trade Relations.

The work of this committee, which is composed of representatives and capable business men of the country, is well under way, and I believe that the findings will be favorable to the setting up of some form of machinery which will demonstrate the advantages to the public of producers and distributors guiding their activities in relation to each other's needs.



When the season was over the goods arrived

with the question of what goods should be manufactured. If the elimination of unnecessary styles were accomplished, retailers would

strate the advantages to the public of producers and distributors guiding their activities in relation to each other's needs.

## Let's Take a Look at Tennessee!

By MERLE THORPE

ABOUT the time that the Tennessee Legislature was passing the law that resulted in the famous "monkey trial" at Dayton it also passed an act to establish a state park in the Great Smoky Mountains, another to preserve Reelfoot Lake in West Tennessee as a great game and fish preserve, a third to provide a revenue of some ten million dollars a year for highway construction, without the issue of long-time bonds, and a fourth to make possible an eight-month term in the rural schools of the state.

I was in Nashville and visited the Capitol about that time. Interest there seemed to center in such subjects as those above. The anti-evolution bill, which had passed by huge majorities, received scant attention and was hardly taken seriously as a law. And yet, such is the perversity of human affairs, within three months Tennessee was known the world over only as the state whose people refused to admit even remote kin with the monkeys, regardless of what that class of folks vaguely

known as "scientists" might say about it.

I am told that more words were cabled from the United States about the Dayton trial than about any other event in our national history, but Tennesseans, most of them, were curiously insensible to the passage of the law that brought upon their state the blatant ballyhoo that was Dayton, and nearly as indifferent to the show itself. As they looked at it, most of the pyrotechnics were furnished by gentlemen from other states who just declared themselves in on the game, anyhow.

While monkey trials may typify and represent Tennessee to a lot of people all over the world, to Tennesseans themselves Dayton is just one of ninety-five court-house towns and the trial is but one incident in a history that started with Hernando de Soto's death at Chickasaw Bluffs, near Memphis; which continued through a bloody period of settlement when the Tennesseans were, in Roosevelt's striking phrase, "the rear-guard of the Revolu-

tion"; which saw Andrew Jackson and his riflemen win the Battle of New Orleans, a victory which, so Tennesseans will tell you, saved the Louisiana Purchase to the United States; which trained Davy Crockett for the Alamo and Sam Houston for San Jacinto; which furnished to the nation three Presidents—Jackson, Polk and Johnson; which gave David Farragut and Matthew Fontaine Maury to naval history; which saw one person in every five in the state in either the Confederate or the Union armies, and saw Fort Donelson, Shiloh, Stone's River, the Chickamauga-Chattanooga campaign, Franklin and Nashville, fought.

With the recovery from the devastation of that great war and with the discovery of coal, iron, zinc, copper and phosphate, with the development of transportation and electric power, with the growth of an agricultural system based on the foundation of live stock and widely diversified crops, the state is moving into a new stage of industrial and business



organization. All that may sound somewhat lyrical—but Tennesseans will tell you that the state's population, American for generations, and its background of history is one of the factors in its present, and especially its future. Nashville, for instance, will always show her visitors "The Hermitage," the rarely beautiful home of Andrew Jackson, kept as it was at the time of his death. Nashville is so proud of Jackson, in fact, that she has given the name of "Old Hickory" to the promising new industrial suburb where the Du Ponts are turning out huge and growing quantities of rayon, while facing on the new State War Memorial Square are found, among other imposing buildings, two hotels bearing Jacksonian names.

Nashville has a curiously wide variety of things to which she may "point with pride." I was shown, for example, a plant making self-rising flour, in the manufacture of which Nashville leads the world, or perhaps a printing plant, a stove foundry, a hardwood-flooring plant or a fertilizer works, all lines in which the city leads the south. And, of course, I saw the new five-million-dollar medical school and hospital center at Vanderbilt University, the stately Georgian group of George Peabody College for Teachers, and the stateliest, most appealing and satisfactory building in America or the world, perhaps, the ancient Parthenon brought back to life in Centennial Park. This building, I predict, will draw many students and lovers of art and architecture to the city with vision enough to build it.

#### Largest Cooperative Creamery

MIDDLE Tennessee, originally and primarily a rich agricultural country, used to ship practically all its products out in the raw state. Today it is more and more processing them before turning them loose into

the general channels of trade. Ten years ago, for instance, the commercial butter production of Tennessee was nothing. Last year Middle Tennessee made and sold more than fifteen million pounds. Murfreesboro is proud of what is said to be the largest cooperative creamery in the United States.

Fifteen years ago large parts of Tennessee were still quarantined because of the Texas fever tick. Since the eradication of the tick, the raising of high-grade beef cattle has become a staple industry, fostered by the development of stockyards at Nashville and elsewhere. This development, together with the improvement in the hogs of the state, is making it possible to build up a considerable packing-house business. The Tennessee lamb is first of the fine lambs to reach the Chicago market; however, there would be more of them if the state would take effective steps to curb the dog menace.

#### More Than Dozen Canneries

ANIMAL products aren't the only farm products that are going to the markets in a more nearly finished state. Tennessee tomatoes and other vegetables are being put up in more than a dozen successful canneries. Sweet potatoes, dried and cured before shipment so that they reach market in better condition, are becoming an important part of the agricultural economy of West Tennessee. At Brownsville, in a plant unique of its sort, a bewildering variety of vegetables and seasonings is gathered together into cans of Brunswick Stew, ready to ship anywhere.

Much Tennessee tobacco, of which there are three well-defined groups, raised in different parts of the state, goes to Europe, au naturel, but the processing of tobacco is an important industry in Tennessee. Those who think of snuff in connection with the courtly gallants of the eighteenth century and their

jeweled snuff boxes would be surprised to know the incredible number of tin cans of the aromatic powder that are turned out each year in Clarksville, Memphis and Nashville. Of more recent development are the cigar factories, such as those at Martin, Paris, Dickson and Pulaski, where large numbers of girls find satisfactory employment.

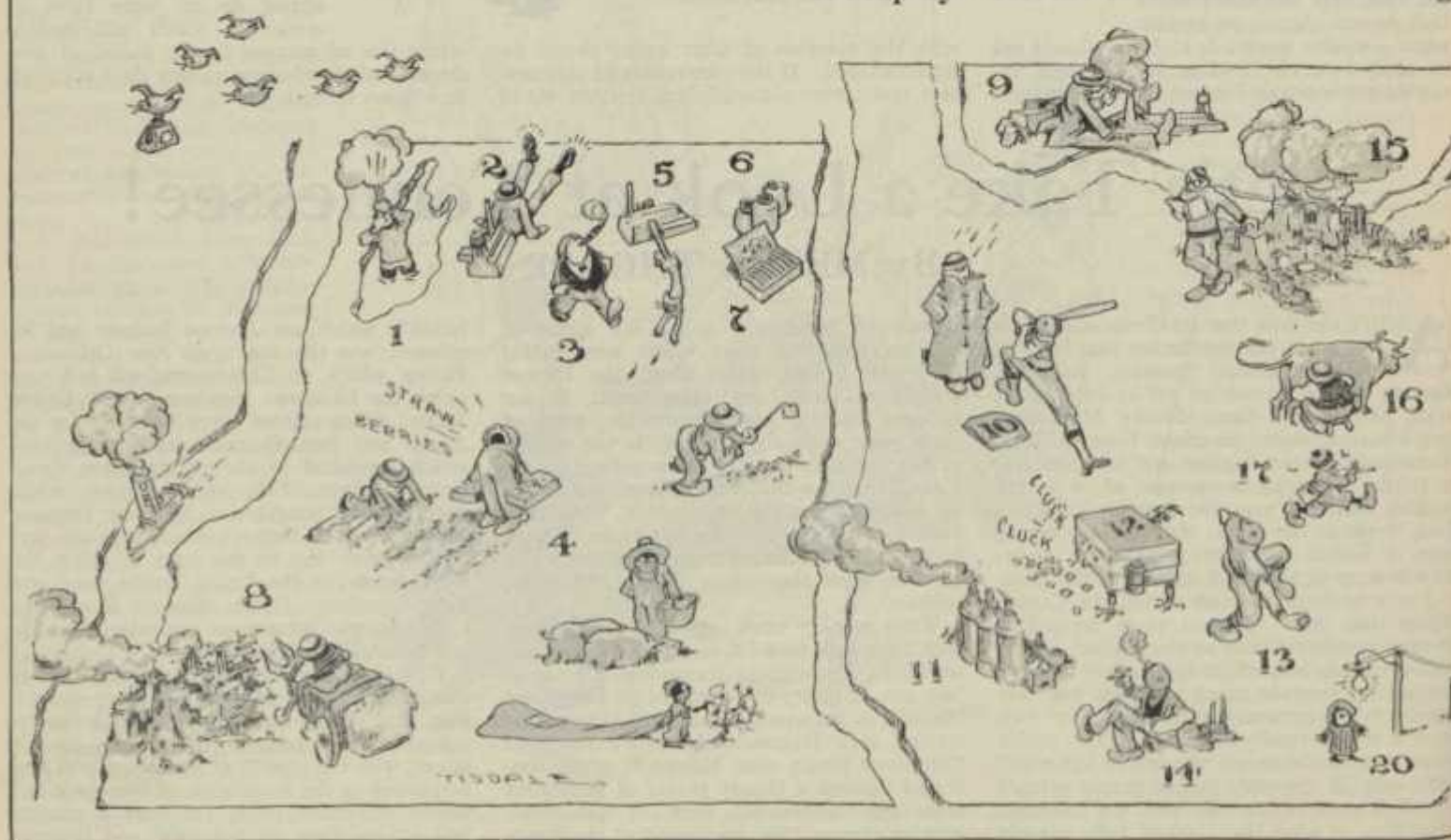
#### Golf Sticks for Scotland

TENNESSEE hardwoods find their way into spokes, handles, staves, both tight and slack, interior finish, flooring, chairs and a variety of other things. Among the wood-working plants in the state one of the most interesting is at Tullahoma, where golf-club shafts are turned out for use in the United States and shipment to Scotland. Another is at Dickson, where a factory is devoted to making baseball bats. A fitting companion to it is the baseball factory at Tullahoma. The preliminary stitching of the covers of these balls is done as piece work in the homes in that section.

In a state whose topography varies from the Great Smoky Mountains, with forty-odd peaks in the state more than 6,000 feet high, to the overflow lands along the Mississippi River, there may be expected a great diversity of natural products and of industry and manufacture. Chattanooga, for example, claims, and apparently with justice, to have the most widely diversified line of manufacturing in the south. There are more than 400 plants manufacturing hundreds of different things, from a spool of thread to a locomotive complete, and making them successfully. Chattanooga, too, is becoming a very important textile center, especially in knitting lines.

The city is the headquarters of the Tennessee Electric Power Company, which serves with its hydro and steam plant not only Chattanooga but Knoxville, Nashville and about

A Map by "Tisdale of Tennessee" Showing





half the state besides, and which has close working arrangements for the interchange of current with the companies in neighboring states. The Tennessee Company has in operation developments that afford about 300,000 horsepower. There are a number of other companies with large hydro or steam plants serving groups of cities through high-tension transmission lines, but the power development of Tennessee is just beginning.

From Chattanooga I drove 60-odd miles over the new Kimsey Highway, a scenic mountain boulevard which will be better known than it is now, to the three successive power developments on the Ocoee, a steep tributary of the Tennessee. Across the mountain, in the corner of Tennessee, lies Ducktown Valley, site of the operations of the Tennessee Copper Company. Sulphur fumes from these large smelters destroyed vegetation for miles around and became such a nuisance that a way to check the fumes had to be discovered. Today the sulphuric acid made from this former harmful waste has almost made the copper a by-product.

From the Ocoee country we traveled to Alcoa, where the Aluminum Company of America, using the power from its immense development on the Little Tennessee River, converts bauxite from Arkansas and Georgia into aluminum for all the world. Adjoining Alcoa is the little city of Maryville, quaint mountain county-seat town and seat of Maryville College. Typifying the contrast and union of old and new in Tennessee is the joint Rotary Club of Maryville-Alcoa.

#### Center of Marble Industry

FROM Alcoa I drove to Knoxville—manufacturing and jobbing center, "capital" of the largest of Tennessee's four coal fields, center of the marble industry, seat of the University of Tennessee and its agricultural

college, gateway to the new Smoky Mountain Park, which may become a National Park, first capital of the state and still strong in the tradition of an older day, but a city that increased its population 114 per cent between 1910 and 1920. Boom towns of the west could hardly have done more.

Ten miles above Knoxville, at Mascot, are the workings of the American Zinc Company. Add one more to the list of Tennessee minerals, which includes fine clays in West Tennessee; phosphate rock in Middle Tennessee, used for fertilizer and baking powder, and, in conjunction with Middle Tennessee iron, used to produce the world supply of ferro-phosphorous iron; coal, iron, copper, zinc and marble in East Tennessee.

From Knoxville northeast to the corner of the state, along the western foothills of the Great Smokies, there is a succession of prosperous and developing towns, each with its own distinction. I was told that the preference of the New York market for live poultry instead of dressed, such as is shipped from the large poultry plants at Nashville to Chicago, was due to the fact that such a large part of the chickens used there must be killed kosher fashion.

#### To Build \$17,500,000 Plant

GREENEVILLE, which in a few years has become the world's greatest market for the particular sort of tobacco raised in that section (I confess that I don't recall just what sort that is, though), interested me even more because there the state has preserved a little log cabin, with a painted board reading "A. JOHNSON, TAILOR" above the door. In that cabin, after he was twenty-one years old, a man who was to become President of the United States learned from his wife to read and write. The cabin is now enclosed in a brick structure to protect it from decay.

Johnson City bases its prosperity on industry. I learned recently that since my visit there a German firm, coming to America to manufacture rayon, has chosen Johnson City for the site of a \$17,500,000 plant. The State Normal School for East Tennessee is also located there.

#### Books Made by the Millions

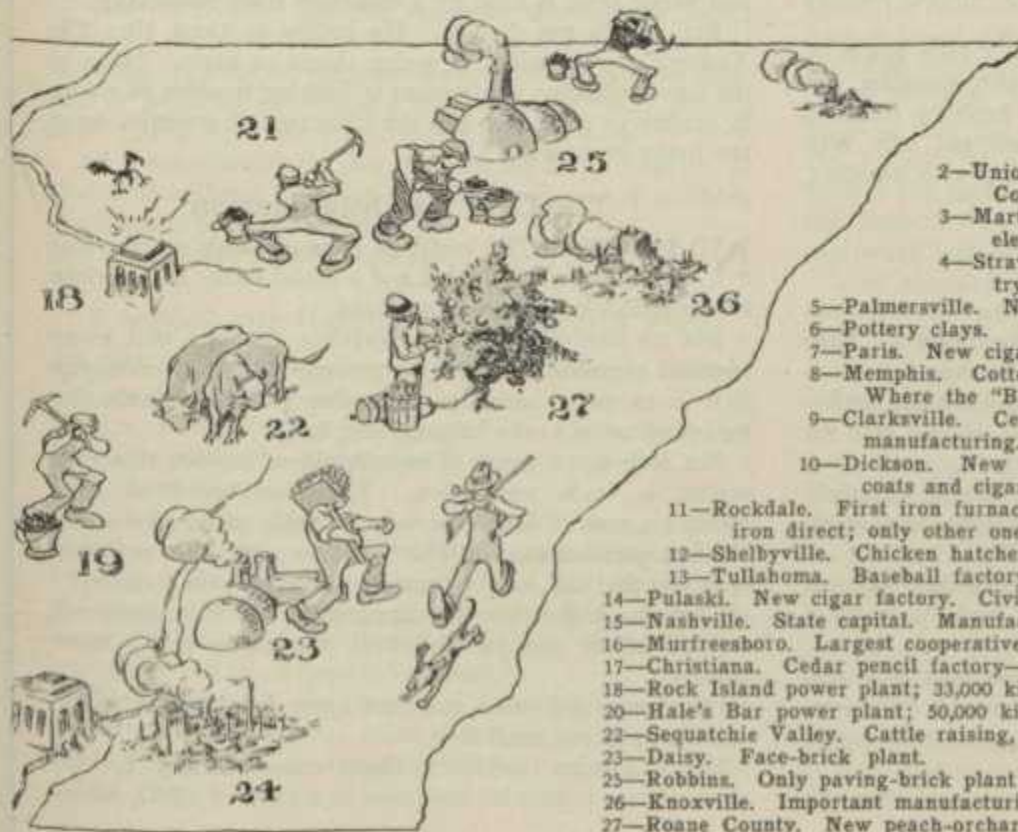
TO THE north of Johnson City at Kingsport, where ten years ago there was nothing but a charming countryside, there has sprung up one of the interesting industrial developments of America. Besides a very considerable textile development, the Eastman Kodak Company has large works there. Among the interesting plants is the Kingsport Press, where medium and low-priced books are produced by the millions. It isn't much of an exaggeration to say that this very complete plant takes in a log at one end and turns out a finished book at the other.

And so, as Mr. Pepys might say, to Bristol—half in Tennessee, half in Virginia, with the state line splitting its main street—a school, wholesale and transportation center, with a considerable industrial development.

Memphis, of course, I have visited. Geographically Memphis is in Tennessee. Commercially, industrially and socially it is as much in Mississippi and Arkansas as in its own state. Its development of late years has been so extensive and so rapid that I would not attempt to discuss it even on the strength of a visit there four years ago.

I haven't seen all of Tennessee, by any means, but I have seen enough to learn that, regardless of the views of the people of the state on evolution as applied to the creation of man, they are themselves evolving a new order of things, adding varied industry to sanely diversified farming. It is a development of much promise.

### Points in That State Other Than Dayton



#### FUNDAMENTALS

- 1—Reelfoot Lake. Formed by earthquake in 1811. State-owned fishing and hunting preserve.
- 2—Union City. New plant of the Brown Shoe Co., of St. Louis. 500 hands.
- 3—Martin. New cigar factory. Center of new electric-power development.
- 4—Strawberry-raising area. State leads the country in strawberries.
- 5—Palmersville. New cheese factory.
- 6—Pottery clays.
- 7—Paris. New cigar factory.
- 8—Memphis. Cotton center and great manufacturing city. Where the "Blues" school of music originated.
- 9—Clarksville. Center of tobacco and snuff-growing and manufacturing.
- 10—Dickson. New factories for making baseball bats, raincoats and cigars.
- 11—Rockdale. First iron furnace in the world to make ferro-phosphorous iron direct; only other one at Cumberland Furnace, Tennessee.
- 12—Shelbyville. Chicken hatchery—one million chicks a year.
- 13—Tullahoma. Baseball factory. Golf-club shaft factory.
- 14—Pulaski. New cigar factory. Civil War Ku Klux founded here.
- 15—Nashville. State capital. Manufacturing and educational center.
- 16—Murfreesboro. Largest cooperative creamery in the country.
- 17—Christiana. Cedar pencil factory—one of many in Tennessee.
- 18—Rock Island power plant; 33,000 kilowatts.
- 19—21—Coal fields.
- 20—Hale's Bar power plant; 50,000 kilowatts.
- 22—Sequatchie Valley. Cattle raising, creamery, canning factories.
- 23—Daisy. Face-brick plant.
- 24—Chattanooga. Manufacturing center.
- 25—Robbins. Only paving-brick plant in Tennessee. Largest in South.
- 26—Knoxville. Important manufacturing center.
- 27—Roane County. New peach-orchard development.



# NATION'S BUSINESS

Published by the Chamber of Commerce of the United States

MERLE THORPE, Editor

Washington



November, 1925

## A Gospel of Man's Goods

THE LATE Sir William Osler was not only a great physician but a writer of much charm. In one of his articles there occurs a fine phrase which seemed to have a bearing on this magazine:

"To man there has been published a triple gospel—of his soul, of his goods, of his body."

If there has been published to man a gospel of his goods, it is with that gospel that this magazine deals. And isn't there a "gospel of goods?" Are not men taking a broader and a better view of their possessions?

We recognize the right of business to make money so long as it makes it fairly and honestly. But, more and more men see, beyond the mere making of money, something even bigger—the right use of it.

John G. Shedd, of Marshall Field & Company, gives a million or two to build an aquarium in Chicago, which shall teach and entertain. Putting into practice a "gospel of goods!"

George F. Baker helps Harvard to study and to teach better and more economical business methods. Again a "gospel of goods!"

George Eastman sees that the children of Rochester have a chance to get the best of care for their teeth and that the grown folks get good music at modest prices. The "gospel of goods" at work.

We could go on indefinitely, but there is no need. A "gospel of goods" must include not only upright earning but wise spending.

And none of us would deny that there's a false gospel of goods, that there is selfish piling up and silly spending, but we do believe that more and more our business world is conscious of the right, is concerning itself not only with making, but with how it shall make; not only with spending, but with how it shall spend.

## Income Tax Publicity

NOW THAT "the tumult and the shouting" over income-tax publicity have died, what are the results? Here are, but not subject to verification, a few statistics:

11,126,234 persons, looking with open mouth at the Rockefeller or the Ford figures, have said: "Well, if he'll give me just half of the tax, he can keep all the rest."

39,148,263 men and women, looking at Charlie Chaplin's \$300, as against Douglas Fairbanks' \$180,000, have said: "Gee, there's somp'n funny about that!"

3,424,165 humorists, noting that Billy Sunday paid an income tax of more than \$10,000, have made poor jokes about salvation being free.

About 11,000,000 wives of 11,000,000 plain citizens, discovering the income tax of a neighbor, have said: "We may have only one car, but I notice that your income tax is bigger than that man Jones's."

And what did all this publicity amount to, more than the

satisfying of idle curiosity and sometimes arousing causeless envy? Have income-tax returns been made more honest? Have tax shirkers been brought out of hiding?

The demand that tax returns be open to public inspection is based on a sound Anglo-Saxon tradition. It was right that A should have a chance to compare the assessment on his property with that on B's, that he might know that justice was being done. It was right that the levy on that assessment should be uniform and that all should know it was uniform. A just distribution of the burden of taxation is a thing for which our modern states are striving.

But publicity of income-tax payment accomplishes no such end. It is no measure even of gross income, and gross income may vary out of all proportion to actual and taxable wealth.

Perhaps the newspaper-reading public will tire of hunting through endless columns of meaningless figures to unearth an occasional item for gossip. It is noteworthy that a number of newspapers refused this year to publish any returns.

## A Prophet of Woe

A CORRESPONDENT of *The Nation* takes a gloomy view of the future of Mr. Ordinary Citizen when Herbert Hoover, aided by the United States Chamber of Commerce, has got through with him. Says he:

The consuming public may wake up some fine day and discover that it is in the grip of great price-fixing combinations that control every necessity of life and most of the luxuries as well. . . .

Moreover, instead of having a free choice in the matter of quality and style, we shall be bound to the narrowest possible limits of standardization under the scheme that is now being carried out.

The fearful fates that await us are to be brought about by the extension of trade association activities under the "maple flooring" decision and by the simplification conferences fostered by Mr. Hoover's department and the National Chamber.

A horrid picture. We peer into the future and see ourselves buying shoes whose design is settled by Mr. Hoover and whose price is fixed by a rapacious trade association.

But, we do not despair. We incline to think that *The Nation's* correspondent is seeing things at night. None of the standardization conferences is limiting freedom of choice in quality or style, nor will the collection of statistics mean the fixing of prices.

## The Case for Organization

NO PUBLICATION could be more sincerely certain that organization is a needed and a useful factor in American business than is *NATION'S BUSINESS*.

But no one could better appreciate the fact that every business organization must increasingly justify its existence if it is to go on existing. In other words, "organization for organization's sake" cannot long last.

Not long ago a group of manufacturers decided that they needed a trade association. They summoned to their councils a man of long experience in trade association work. His first question was: "What common problem or problems have you that call for the organized effort of your industry?"

That was a question they apparently had not considered, and his advice was to this effect, though he put it more politely:

"Go home, and when you have some definite work to do, organize, and not until then."

Here's another incident: There came recently to this office a letter from a business man in a town of 6,000, asking



for a list of city slogans. The letter said that the business men of the town wanted help in selecting a slogan since they were planning a chamber of commerce. This seemed to be the order: First a slogan, second a chamber, third something for a chamber to do.

A third incident: A great industrial corporation with factories and warehouses and selling agencies from coast to coast took a census of the organizations in which it was represented. They numbered more than 500. The attitude of that company was not that there were too many, but that it was time to inquire whether all were working usefully.

Not so long ago, in an article in *Scribner's Magazine*, J. R. Sprague asked these questions about organization:

Is there greater efficiency in mass effort than in individual effort?

Does organization make life easier for the average citizen?

Do the Associated Candle Snuffer Manufacturers of America produce better and cheaper candle-snuffers because of their imposing headquarters in New York, their high-powered executive secretary, and their annual convention in Atlantic City?

Mr. Sprague obviously expected a "no" to all three questions, but we are not ready so to answer them. We are inclined to think that many things are made better and cheaper because of trade associations and that we might well say "yes" to the first two inquiries.

### A Need for Management

How doth the little busy bee  
Improve each shining hour.

A WRITER in Henry Ford's *Dearborn Independent* explains that she improves each shining hour by covering 20,000 miles in 40,000 trips collecting the raw material for a pound of honey and then throws away half of it as unfit.

"Consider the bee," says Mr. Ford's editor, and we pause to consider. The net result of our consideration is that we have decided that the bee needs an entire reorganization of her productive system. She is a signal example of the need of mass production. Has the bee never heard of the Taylor Society? Think of the waste in transport of raw material! Give the bee a unified purchasing system, rearrange her haulage of material, and instead of improving "each shining hour," she'd triple her output with a 40-hour week.

No longer should the bee be held up as an example of profitable industry. And we have our doubts about advising the sluggard to go to the ant.

The bee needs a factory manager!

### Keeping the Balance of Work and Play

WHAT HAS become of all the time saved by modern machinery, invention and industrial processes? The 12-hour factory day has disappeared, the 10-hour is going. In many trades the 44-hour week is standard—five and a half 8-hour days.

Shall we have a 24-hour week, four 6-hour days, in 1950? And if so, why not two 12-hour days a week with five days for play. Drive to and from the plant, for the home in the country, twice instead of eight times a week. Saving in transportation, avoidance of road congestion. Why not more machinery and two 8-hour days a week?

That is the trend of a communication from a reader. He answers it by saying that more leisure creates new requirements for a pastime: more automobiles—or aeroplanes—golf, fishing, theaters, dancing places and so on.

The demand for equipment to use in leisure will prove the check on the shortening of hours, is his answer. If a man has 25 per cent added leisure and his new wants require 25 per cent more production, there goes his leisure. But if productivity increases 50 per cent and new demands grow only 25 per cent, there still remains 25 per cent of the new leisure to enjoy the motoring, golf and fishing.

A man could earn enough in three days a week if he and his family were content to live the simple life of a generation ago. But the real man won't do it; that is why men go on inventing time-saving machinery. Increased productivity serves to provide means for new wants as well as for time-saving.

It still looks as if the most of us shall have to continue to work, now and then.

### Rubber, an Economic Storm Center

RUBBER increases its place in our economic scheme of things at such a rate that we are sure of having its price, its production, and all of its other features occupying a prominent position in the public eye for a long time.

In the first six months of 1925 the amount of crude rubber used in the United States was apparently over 100,000 tons and the shipments of products made by manufacturers using crude rubber had a sales value above \$500,000,000. During those six months of 1925 the amount of crude rubber used was 28 per cent larger than during the corresponding part of 1924, and the sales value of shipments of rubber products was 26 per cent larger.

### The Great Collar Button Campaign

THE MOVEMENT against—or for, as one's politics run—the back collar button, grows and spreads. An ardent anti, who signs himself President of the Society for the Suppression of the Back Collar Button, the Eradication of Nervous Disease and the Encouragement of Thrift, urges us ahead but mourns that we gave credit to a Missourian for having started the great movement, although he concedes that the cause is greater than the man.

The president of the S. S. B. C. B., etc., sets forth conclusively that the back collar button is a foe of thrift and the promoter of nervous disease. He recounts his struggles against the labor unions, who saw a blow at the worker in the elimination of the back buttonhole, and against the manufacturers both of collar buttons and shirts.

Then he raises the great American cry of "There ought to be a law," and says:

"I am now busy preparing a law for every state and for Congress, forbidding the use of the back collar button."

The possibilities spread before our eyes. But why start off with legislation? First a Fact-Finding Commission or two. What do we know of the uses of collar-buttons in Cuba or Switzerland? We should appreciate a place on a commission to examine and report on the collar-button habits of Cuba and the West Indies this winter and of Switzerland and Scotland next summer.

Then, and not until then, we might consider legislation, say an act to prohibit the wearing of back collar buttons in interstate commerce would be followed by acts creating a bureau for the inspection of back collar buttons, with inspectors, deputy inspectors and sub-inspectors.

More laws, more bureaus, perhaps not for collar buttons, but certainly for other things.



# Our Gullible Friend the Banker

By GEORGE WOODRUFF

*Vice-Chairman, the National Bank of the Republic, Chicago*

**E**VERY MAN," says an ancient legend, "is born into the world with two bags suspended from his neck—a small bag in front full of his neighbor's faults and a large bag in back filled with his own. Hence it is that men are quick to see the faults of others, and yet are often blind to their own failings."

It is with the second of these bags—the large bag behind the banker's neck—that this article will deal. Oftentimes, as bankers, we have felt free to criticize the faults and shortcomings of business men in other lines of endeavor. We have picked out of the "bags" that dangle in front of our necks the mistakes of the butcher, the baker and the candlestick maker. We have presumed to show them where and how they have erred.

It is only fair, therefore, to turn our backs to the mirror and—with a hand glass before us—examine some of the faults and mistakes of the banking business. In doing so we find that we have, in our zeal for expansion, permitted a large number of abuses to grow up in our business. Indeed the weight of our "bag of faults" has become so great as to demand attention—so great that every banker now recognizes its burdensome character.

## Misconceptions of Bankers

**B**EFORE delving into the bag, however, there are two public misconceptions of banking and bankers that should be corrected. The first of these is that the banker is more or less immune from the ordinary frailties of mankind; that, because of his wide experience, he possesses a sort of super-intelligence.

As a plain matter of fact the banker is just as human—just as vulnerable—as anyone else. He slices and pulls and tops his drives just as often as any other golfer. He "backlashes" his casting lines quite as regularly as Andy Gump. He has just as many colds in the head as anybody. He stumbles over just as many rugs. Sometimes he forgets the wife's birthday. He has even been known, on occasion, to mislay a collar button.

Consequently, being human, the banker does make mistakes. And, though it is never pleasant to see one's errors brought under the calcium light of publicity, it is nevertheless desirable—now and then—to make a candid survey of conditions and openly confess that a banker is not very different from other people.

The second erroneous idea is that the banking business is a gold mine and that those engaged in it have little more to do than open the morning's mail, dictate a few letters, and then order James to take them to the Racquet Club. In reality, public opinion to the contrary, the margin of profit in the banking business is exceedingly

small and most successful bankers work harder and longer than the firemen who stoke the furnace.

It is because of the fact that the banking business is essentially a service business and must secure volume in order to make a profit that it has become in recent years the most competitive business on the face of the globe. And it is the intensity of this competition which has, in turn, done more than anything else to fill the bag on the back of the banker's neck. It is the underlying, though not always apparent, reason for most of the abuses that have crept into the field of banking.

## Hard-pressed by Competition

**T**AKE, for example, the matter of interest rates. The rate of interest on deposits often bears about the same relation to banking that price-cutting bears to merchandising. They work inversely, it is true, but the results are identical. When a merchant—hard-pressed by competition—wishes to secure business he cuts prices. When a banker—hard-pressed by competition—wishes to secure business he offers higher interest on deposits. The result is that banks are often obliged to bid against each other by offering interest rates out of all proportion to the profits to be derived from the business secured.

Obviously, therefore, as no bank can afford to act independently in a matter so vital to its existence, understandings must be reached by the competing banks of a locality. In New Orleans such an agreement has been entered into and, according to my informant, is being strictly adhered to. Under this agreement the banks do not pay interest in excess of 2 per cent per annum on any account, except in a few exceptional cases. Neither is interest paid on any account that averages less than \$5,000.

Similar agreements exist in many other cities. But, on the

other hand, it is surprising to find how many banks in this country are constantly bidding against each other for business and are, in doing so, obliged to pay exorbitant rates in order to secure the accounts.

Competition is, of course, the life of trade. But even competition, if carried too far, can become a serious menace to good business practice. And, if I am to judge from talks I have had with bankers in nearly every section of the country, it is a pretty well recognized fact that the competition for accounts, as reflected in the payment of too high interest, is being considerably overdone. It is perhaps the biggest "fault" in the banker's bag.

Another very common practice—and one that eats directly into the profits of many banks—is that of handling small checking accounts without adequate charge to the customer. It costs money for a bank to handle checks—more money than most people imagine. Consequently unless the average daily balance is sufficiently large to absorb this expense the transaction becomes a drain upon the bank.

Yet, though all bankers realize this fact very fully, many banks in their desire to secure business handle countless small checking accounts at an actual loss. The theory is that such accounts will eventually become large enough to net the bank a profit. But in actual practice the person who maintains a checking account purely as a convenience seldom becomes a substantial depositor.

## Now Impose Service Charge

**T**O MEET this situation the banks of many cities now impose a service charge on all checking accounts where the balance is too small to justify handling the account free of charge. In some cities the charge is \$1 per month on every account that averages less than \$500. In Kansas City the charge is somewhat less, the Clearing House banks making a 50-cent-per-month service charge on accounts that fail to average \$100 and against which more than one check per month is issued.

Countless other "abuses"—directly attributable to the intense competition now existing—have crept into the banking business in recent years. There is, for example, the accepting of securities for safekeeping without remuneration, the handling of escrow matters without charge, selling travelers checks and letters of credit without compensation and dozens of other similar services that deprive a bank of a just profit on the time, labor and effort

involved. Of course many of these things can and should be settled by the individual



As bait to secure new business, the banker has given away more than 120 different articles—everything from gold fish to binoculars.



banks. But, on the other hand, it is probably true that the majority of these problems can be most satisfactorily adjusted by means of closer cooperation on the part of the banks themselves, either through the local Clearing House or some other organization qualified to act for all of the banks concerned.

Fortunately most of the mistakes of present-day banking are not fundamental. They are the product of evolution. They are the natural outgrowth of the great expansion that has occurred in late years. In fact they are very similar in most respects to the mistakes that have been made in other lines of business. They are the inevitable result of the gradual broadening of the banking business that has taken place during the past fifteen or twenty years.

To better understand this trend, let us go back into history for just a moment. A quarter of a century ago—back in the days when bankers wore white waistcoats and high hats—it was considered undignified for a bank to advertise. In fact, it was regarded as unethical. Then, with the growth of modern business and the natural quickening of competition, the banks of the country realized that they were out of step with the spirit of progress. They took a look at their business-building methods and found that they were archaic. In fact, in many cases, they were worse than that. They just didn't exist at all.

### Rushed Into Advertising

AS SO often happens, nearly all of the banks rushed into the advertising business. Sometimes the cashier wrote the copy himself. Sometimes the office boy. The big idea was to advertise more and matter much how. That advertising was a highly specialized profession of its own was lost sight of. "Advertise," said the board of directors. And so "advertising"—if such it might be called—became the great compelling passion of the day!

That was the first step in the metamorphosis of bank advertising—the "tadpole" stage. Then the banks began to discover that most of their "tadpole" efforts looked just alike—that it was hard to distinguish one pollywog from another. In fact, unless they looked sharply, they often mistook the other fellow's advertisement for their own.

Consequently, in the desire to be different, they began to give their bait "legs" in the form of services of various kinds. Pretty soon all of the little advertising tadpoles had turned into frogs, had come up on the sunny shore, and were croaking loud and long about the special attractions they offered. And, as the chorus grew in volume, it was only natural that each should attempt to drown out his neighbor. The result was that a large variety of new "abuses" crept—or hopped—into the banker's bag of mistakes.

Take, for example, the matter of unprofitable advertising—advertising in such media as programs, school, club and church house-organs, special editions, etc. Bankers, early in their advertising experience, made the mistake of patronizing media of this sort with the result that they soon became prey for all sorts of unprofitable advertising schemes.

Let me give you a rather familiar example. The Ladies' Study Class of the League of Cubist Art Lovers decides to build a shrine to Felix Chubowski, a remote Russian of the fourteenth century. In order to raise the necessary funds they determine to give a "private theatrical" in the Leninovitch Hall. Probably 60 long-haired cubists will attend

the entertainment. Therefore, being good business women, they decide to print an elaborate program for the performance. They figure that \$50 a page is about the correct rate to charge for advertising in this exquisite program.

So, at an executive session of the Ways and Means Committee of the organization, it is decided to



He forgets the wife's birthday

solicit advertising. Forthwith they make out a list of prospects. And when completed, the list reads something like this:

First National Bank.....	1 page
Commercial Trust Company.....	1 page
Home Savings Bank.....	1 page
Merchants State Bank.....	1 page
Union National Bank.....	1 page

Total—five pages of advertising at \$50 a page from the banks of the city! Of course the advertising is absolutely worthless. The bankers realize this fact fully. Yet, because the promoters of the Chubowski Shrine are leaders in their particular branch of society, no one bank is willing to run the risk of declining to take space. Therefore the advertising space is taken and the \$250 is charged up, figuratively at least, to profit and loss.

### Unless They Get Together

THE CONSEQUENCES of such action, however, are still to come. A precedent having been established, the banks must now take space in every program that is put out in the community for the next fifty or a hundred years. That is, they will have to do so unless they get together and decide to call a halt.

Now the Chubowski program by itself is not a serious matter. But when coupled with the other programs, special editions, donations, tickets and other things that a bank is obliged to patronize, the matter does become serious. Indeed, it is so serious that it cuts directly and deeply into the profits of the institution.

A banker friend, whose institution is located

in a city of about 60,000, kept a record of all the "causes" and special "stunts" he was asked to support during the course of a year. He found that, had he acceded to all the demands made upon him, he would have been obliged to spend \$62,400 in the course of twelve months. In other words, all of his net profits and a considerable sum besides would have gone for just such things as Chubowski Shrines.

### Seriousness of Situation

IT IS because of the real seriousness of this situation that bankers the country over are beginning to feel the need of getting together in order that such abuses may be eliminated or at least curtailed. They are realizing more and more that they are becoming the "goats" of a form of good-natured robbery that is making a serious dent in their profits. Sometimes, in fact, it becomes more than robbery and borders more nearly, as a New York banker has described it, on "polite blackmail" as in the case of some political or labor organization that endeavors to "club" a bank into taking space in some worthless "special edition" or similar enterprises.

Another growing "abuse" in the banking business is the tendency on the part of the public to expect bank officers to give their time and energy to the furtherance of activities having nothing whatever to do with the banking business.

The president of a large city bank, wishing to check up on matters of this kind, recently called his organization together and requested that a record be kept of all work done and time spent by officers and employees on outside propositions for a period of ten days.

At the end of that time a careful tabulation showed that the bank had served 29 clubs and organizations, 156 business houses and 1,782 individuals on matters having nothing whatever to do with the banking business. It also showed that the officers and employees had devoted an aggregate of 837 hours of time



to this sort of service. This is by no means an exceptional case. It is, with variations, typical of the banking business today. Probably no institution in the world, with the possible exception of radio broadcasting stations and free clinics, gives the public as much for nothing as does the modern bank.

Undoubtedly the trouble arises through a misconception on the part of the public of just what bank service means. The banks of this country have given the public so much free service—have offered so many gratuities of this nature—that the “man in the street” has come to look upon a bank as a sort of trouble desk and information bureau.

All bankers realize, of course, the value of rendering legitimate service. They know that certain services are business producers and good-will developers. Neither would any banker wish to do otherwise than serve his city, his state or his nation in any way within his power.

### Must Watch Expense Accounts

**B**UT, ON the other hand, nearly all bankers have come to realize that the so-called service side of banking is being greatly overdone.

People have come to expect without cost such things as credit information, the making out of pay-rolls, the payment of personal bills, the free use of cashier's checks for salaries and wages, the collection of bills, the handling of auction sales, free advertising on the bank's bulletin board, the compilation of statistical information, the making out of income-tax returns, auditing service and countless other things that consume a vast amount of time and labor.

America is now the great creditor nation of the world and interest rates on loans will necessarily average much lower than during the days before so much of the world's money came our way. This means that banks must

henceforth watch their expense accounts more closely and unless the present tendency is curtailed, the service side of banking may very possibly reach such proportions that no bank will be able to stand the expense involved. In fact, the danger signs are already posted on the road!

In line with other “abuses” is the growing practice on the part of banks to *buy*—or bribe—business by means of premiums. A man who specializes in the securing of “new business” for banks recently declared that more than 120 different articles have been given away by banks during the past five years as inducements for the opening of savings accounts. These articles have varied all the way from blueberry pies and gold fish to handsome pocket cameras and binoculars. In fact there is hardly anything that has not been offered by banks as bait for the securing of new business.

Most bankers deplore the fact that “premiums” are gaining such a foothold in bank promotion work. And yet they are afraid to take action against it individually because they realize that they cannot afford to be outdone by some premium-giving competitor. In some cities, however, the problem is being solved by means of collective action on the part of the banks through “gentlemen's agreements” whereby all of the parties to the understanding dispense with premium offers.

Closely akin to the giving of premiums is the fancy checkbook evil. There was once a time when a bank was considered liberal if it furnished its customers with ordinary checkbooks free of charge. Today the public expects to be given fancy, richly embellished checkbooks. Many of these are bound in the finest leather and the checks are printed on expensive paper. Yet, because of the intense competition now existing in the field of banking, they are given away right and left with little thought of the heavy expense involved.

Almost equally costly is the practice of imprinting the names of customers on the checks themselves. In a great majority of cases this is done without any charge whatever, while in others a small but wholly inadequate charge is made for this service.

No reasonable person should expect his or her bank to go to the expense of furnishing checkbooks of this description to people maintaining small or average accounts and few people would expect it if they were not encouraged by the eagerness of the banks themselves to secure business through such methods.

### Cut-throat Banking Has Gone

**O**F COURSE, there are many other errors and mistakes neatly bound up in the “bag of faults” that hangs behind the banker's neck. But those that have been described are the most serious—the ones that must be eliminated before the bank of today can expect to make the profits to which it is justly entitled. Bankers are not supermen. They are human, flesh-and-blood individuals. Consequently they are just as likely to be imposed upon as anybody else. For this reason their strength lies in unity of action and unity of purpose. The day of cut-throat banking has passed. We live today in an age of ever-increasing cooperation.

And no bank, however large or small it may be, can afford to overlook the fact that its real salvation depends upon the fullest possible cooperation with its competitors.

Cooperation, rightly applied, does not mean the ending of competition. It simply means the curtailing of the unwarranted “abuses” that finally stifle competition.

Bankers, more and more each day, are becoming persuaded that the cooperating unit is a better business-getter than the individualistic, though more noisy, frog. Perhaps it is just as well.

# What's What in Your Fire Policy?

By H. A. SMITH

*President, National Fire Insurance Company, Hartford, Conn.*

**W**EALTH, the fruit of toil, is accumulated and held in the shape of physical property. The existence of property and its replacement in event of destruction are vital to the average man. It ordinarily requires serious, persistent effort to acquire property and the negotiating of insurance, intended in event of loss to replace this hard-earned wealth, is of serious moment. It should not be treated as an annoyance or a favor to a friend in the insurance business.

The business man who achieves reasonable success accustoms himself to a careful personal or employed review of the commodities purchased for the conduct of his business. When making a fire-insurance contract, he prearranges, so to speak, a bill of sale for his insured business interests. The contract must be correct, else he may not receive full indemnity for the property destroyed.

The fire-insurance policy is vastly more important to the insurer than to the insurance agent or company. To the agent, it represents a small commission for the labor and time required to negotiate and issue the policy; to the company, it means potential liability. For the average man, it justifies credit, thus permitting expansion of business,

gives relief to fears of a business being destroyed without warning, and offers opportunity after disaster to begin business again with little or no loss.

The insurance policy, as delivered, is the contract which will, in event of loss, be the basis upon which the adjustment is made. The policy may seem of small value when there is no loss, but it should be negotiated by the agent and purchased by the insured with the thought that the loss may come on the morrow. Since, in event of loss, the insured will look to the company for indemnity, it is his business to understand what he is buying and to buy what he needs. Briefly then, the average man should know and insist that his insurance policies are correct in the following particulars:

His interest in the property is described properly.

The amount of insurance is ample.

The length of time for which the policy is to run is as he desires it and is understood and recorded by him.

The description of the property insured, as well as its location and use, likewise is stated clearly.

The privileges granted to him, as well as the restrictions placed upon him by the insuring companies, together with his duties, privileges

and obligations in event of loss, are known to him.

Incorrectly written insurances complicate loss settlements and sometimes actually prevent payment. The contract cannot be altered, except by voluntary consent on the part of the company, under extenuating circumstances, after the loss occurs. If this is kept clearly in mind, policies are more likely to be written correctly, and not to be accepted unless they are.

It is not necessary for the average man fully to understand the very complicated insurance business in order to insure property. He should purchase his insurance from one who understands the business. The insured's duty is to use the ordinary common sense he employs in dealing with his other business problems. If he will take the time to know what he needs and to let the insurance man suggest what he might need, and then, after securing his policy, give it review enough to see that he received what he ordered, and, if he did not negotiate correctly, to reorder, he will be fairly safe.

The completed fire-insurance policy consists of two major parts, which form the whole. There is the standard fire-insurance policy, the creation of the state legislatures, designed in the interest of regularity, uni-



formity and clarity to safeguard all concerned against fraudulent claims and to see that the company pays only its proper proportion of the actual loss, and finally to establish a basis for court rulings in insurance in a particular state or country.

To the standard policy is added what is known as the "form" or the special conditions applying to the particular insurance negotiated. These special conditions describe the insured's interest, the amount and term of the insurance, the property, its location and use, the modifications permitted in the printed conditions of the policy, and any special considerations to be given the subject of insurance, which are required to be mentioned or else are not allowed by the standard policy; and outline the restrictions, if any, placed upon the insured over and above those in the standard policy itself.

### Features in Standard Policy

**TO AWAKEN** thought about standard policies, attention is directed to a few of the important features in the most widely used standard policy. This policy, by special mention, excludes certain property of extremely damageable nature, into which sentimental values may easily enter, unless these particular items mentioned are specifically named in writing as not being excluded.

This puts the company on notice that it is insuring property which it customarily refuses to insure. The company thereby has the opportunity to reject the insurance in advance of the loss. Some of this excluded property the company will in no event insure; for example, money, bills of exchange, notes, accounts, evidences of debt, deeds or securities.

Wearing apparel, plate, jewels, models, patterns, scientific apparatus, paintings, sculptures and curiosities may be insured by being mentioned especially in writing in the contract.

This standard policy states that the property is insured, subject to its conditions, against all direct loss or damage by fire originating from any cause, except invasion, insurrection, foreign enemies, civil war or commotion, riot, or any military, civil or usurped power whatever, or by theft or explosion of any kind.

In the case of explosions it is provided that if fire ensues, then the company is liable for the damage caused by fire only. It should be understood also that when any material part of a building falls, either from normal or abnormal causes (except fire) or by earthquake, the fire insurance policy ceases to apply.

### When Contract Is Made Void

**A VERY** important portion of this standard policy is the part which tells what conditions make the contract void. Briefly, some are as follows:

If any material fact or circumstance stated in writing has not been represented fairly by the insured.

If the property is removed except when necessary to preserve it from fire, in which event five days' coverage is allowed without assent by the company.

If the situation or circumstances affecting the risk, known or controlled by the insured, are altered so as to cause an increase of such risk.

If, without assent by the company, other insurance is effected, the property sold, or the policy assigned, or the premises become vacant or unoccupied and remain vacant or unoccupied for more than thirty days.

If it is a manufacturing establishment and works later than ten o'clock in the evening.

If gunpowder or other articles subject to

legal restrictions are kept in quantities or a manner different than allowed or prescribed by law.

If gasoline or products of crude petroleum or other burning oils of greater inflammability than kerosene are kept without permission.

Finally, misrepresentation or any attempt on the part of the insured to defraud the company, either before or after the loss, makes the policy void.

From the foregoing it will be observed that there are many conditions which make this standard policy void, unless permission to change these limitations is included in the contract. Many of the conditions which void the contract and do not deal with fraud or misrepresentation may be modified by special permission, upon giving advance notice and paying an agreed rate to the company; but the average man should see that he has these special privileges if and when he needs them.

The policy requires of the insured, in event of loss, that he make all reasonable exertions to save and protect the insured property when exposed to loss or damage by fire. The insured, in event of loss, is required to present his claim to the company. His claim must state the value of the property insured, his interest therein and all other insurance thereon, the purpose for which and the persons by whom the building insured or containing property insured was used at the time of the fire and the manner in which the fire originated, so far as it is known to him.

### Protecting the Mortgagee

**WHEN** real property is mortgaged, a mortgagee clause is attached to the policy. The usual form of mortgagee clause protects the interest of the mortgagee in a building so that no act or default of any person other than such mortgagee or his agents, or those claiming under him, shall affect the mortgagee's rights to recover in event of loss, but the mortgagee is required, on demand, to pay according to the established rate for any increase not paid for by the insured. In event of loss, the company has the right to pay up the mortgagee's interest and assume the mortgage.

Good insurance cannot be made to pay the loss caused by poor insurance, for if there is other insurance on the property, whether prior or subsequent, the insured is entitled to recover no greater proportion of the loss sustained than the sum insured by the individual company bears to the whole amount. Because of this condition of the policy, it is vital to the insured's interests to have strong companies, and to have all policies covering the same subject of insurance read exactly alike.

This is what is termed "concurrent insurance." Nonconcurrent insurance complicates loss payments, and sometimes prevents full collection on the part of the insured. The standard policy usually prohibits other insurance, unless consent is endorsed thereon.

While it is necessary correctly to locate the property insured, because if it is not where it is said to be the policy does not cover, and, further, while it is important to state to what use the property is being put, because that is required by the policy to be stated correctly, the matter of first importance is to determine the nature of the insured's interest in the property.

Let it be understood clearly that the insurance companies do not insure property, but rather man's interest in property—for after total destruction there is no property, and the company is powerless to give back something which does not exist. The basis of insurance payment, therefore, is upon the actual

loss sustained to the insured's interest in the property.

Most standard policies are made void, if the interest of the insured be stated incorrectly, or if the insured's interest is other than sole and unconditional ownership. A man is not entitled to collect insurance on property in which he has no actual interest, neither is a policy valid when written in the name of a husband, when the ownership is vested in his wife. Man's interest in property may be as owner, lessee, lessor, operator, or of various other natures; but, whatever it is, it should be stated truly in the policy.

### Three-Fourths Value Clause

**IN SOME** states where the burning ratio is unusually heavy, the companies limit their liability to three-fourths of the loss. This is indicated in advance on the policy. "A Three-fourths Value Clause" is put on. Under such a contract, the insured can collect only up to three-fourths of his loss.

There are other value clauses which should be understood, particularly the Coinsurance or Reduced Rate Contribution Clauses. To determine rates equitably, some uniform basis for calculating the premium is necessary, just as a standard basis should be used for assessing a tax. Therefore, fire-insurance rates generally are predicated upon a coinsurance basis—usually 80 per cent, 90 per cent or 100 per cent, although variations are permitted in some localities, according to an established scale of increased rates for lower percentages of coinsurance.

Coinsurance is a sound principle—designed fairly to distribute the premium charge. The coinsurance clause is nothing more or less than an agreement on the part of the insured to insure his property up to a certain proportion of its value. If he does this, the coinsurance clause does not operate. If he fails to insure up to the agreed percentage (as named in the policy—in consideration of which he enjoys a lower rate than would otherwise prevail without the clause) he becomes a coinsurer, i.e., an insurer himself, for the amount for which he is "short"—just as if he had a policy in a company of his own for the amount of such shortage.

### How Coinsurance Works

**IN OTHER** words, he participates proportionately with the companies to the extent for which he may be underinsured according to the requirements of coinsurance clause.

Example			
80% Coinsurance Clause on Policy			
Value of property: \$10,000. Insurance required: \$8,000.			
Loss: \$3,200.			
Insurance Carried	Loss	Pays	Proportion of Payment
1. \$2,000 or more	\$3,200	\$3,200	Full
2. \$6,000 = \$2,000 or $\frac{2}{10}$ short of required amount	\$3,200	\$2,400	$\frac{2}{3}$
Assured carries \$2,000 himself.		800	$\frac{1}{3}$

Summarized, a man should know what his standard policy conditions are; that his interest in and the coverage of the property, the exclusions from coverage, the insurance to value, the term for which the insurance is desired, the purposes for which the property is used, and the restrictions placed on him, as well as the privileges granted to him by the company, are correct and meet his needs. The making of the contract of insurance is a serious matter; and places responsibilities upon the insured and the company, which should not be ignored. Failure to understand the contract does not excuse the insured, nor justify him in claiming for a loss for which the company is not liable.



# The Packing Industry Goes to School

By WILLIAM WHITFIELD WOODS

*This is one of several articles which NATION'S BUSINESS plans to print on notable achievements of trade associations. Here is described the educational work of the Institute of American Meat Packers, under the guidance of its president, Oscar G. Mayer. Trade associations are constantly reaching into new fields.—THE EDITOR*

THERE must have been two hundred of them, perhaps more, and all were furtive in manner and action. Although they were widely separated and acting without concert, it was plain that every individual held the same secret purpose.

Each man went through substantially identical procedure. He stepped down a short flight of stairs into an ill-lighted cellar, walked cautiously over to a big vat, glanced around to make sure he was unobserved, and then extracted from his pocket a small roundish object, a typical specimen of *solanum tuberosum*. He held it by the tips of his fingers, his arm outstretched far beyond the rim of the vat, and then dropped it.

These men were the "scientists" of the meat-packing industry thirty-five years ago. The vat, of course, was a pickling vat, and the little round object was a fairly good spud. If the potato floated, the brine was strong enough. If it sank, the "scientist," or curing foreman, directed the cellar workmen to put a large quantity of salt into the vat. Then, when the salt had been added, he, in the sight of all who cared to behold, drew from his pocket a handful of white, powdery material which he weighed carefully in his palm before sprinkling it ceremoniously into the vat. This white powder was nothing but mere salt, but no one except the "expert" knew it.

## Expert at Pickling Pigs' Feet

KNOWLEDGE always has been esteemed power, and therefore the curing foremen built up a reputation for it very carefully.

In Omaha, for example, one packing company had an "expert" with no little prowess at pickling pigs' feet. This man surrounded a prosaic occupation with the color of romance, and a hint of alchemy. As part of his stage setting he maintained a little room with locked door and no windows. He kept in this room, for all who entered to behold, twenty-five bottles of colored water. His

visitors, invited or uninvited, got the implication that these magical fluids were part of the "science" of curing pigs' feet.

"The curing department of those times," says W. D. Richardson, Chief Chemist of Swift & Co., "was a secret department presided over by an 'expert,' so called, who kept his formulas in a little book in his inside coat pocket and his secret ingredients in a room under lock and key."

Despite their mysterious ways, it must be admitted that the early curing experts did develop quite an art, most of it sound.

In those old days of three decades ago or so, the winter traveler along the Missouri River, glancing toward the packing houses that dotted its banks, could see large mounds beside them, mounds sometimes reaching up to the third-story windows.

These little mountains were the paunches and their contents from dressed hogs. The entire paunch, including materials now utilized valuably, was thrown out of the window. Naturally, it froze; the next paunch, falling atop it, also froze; and so, paunch on paunch, a monument was erected every winter to the waste in the industry.

In the spring, as the mound thawed, it was pulled into the river, and material that might have meant an added value for the producer, an added profit for the packer, and an added use for the consumer, went floating away toward the sea. Such was a tangible result of the lack of science in the industry. The intangible results were just as serious.

James Haven is now with a company selling supplies to the packing industry. Time was, however, when he was under the direction of a curing-room foreman. A part of his duty was to help protect the secrets

Early-day views of the packing industry when one man learned to handle everything except the specialization, such as meat curing—and when the specialist himself worked behind locked doors to keep his knowledge secret

of the order. One day the head of the company—a great pioneer of the industry whose name survives now as one of its leading figures—entered the curing cellar where the pickling vats were kept. Instantly there was a tremendous hissing, and obscuring, gray clouds of vapor gushed up over the vats. Acting on standing instructions for such an occasion, James Haven had turned on the steam!

Less than twenty years ago a young man named John P. Harris, a chemical engineer, entered the employment of a large packing company in its Texas plant. He noticed that the curing foreman with a pocket full of mysterious powder was still doing his stuff. He noticed, too, that the door to the refinery always was kept locked.

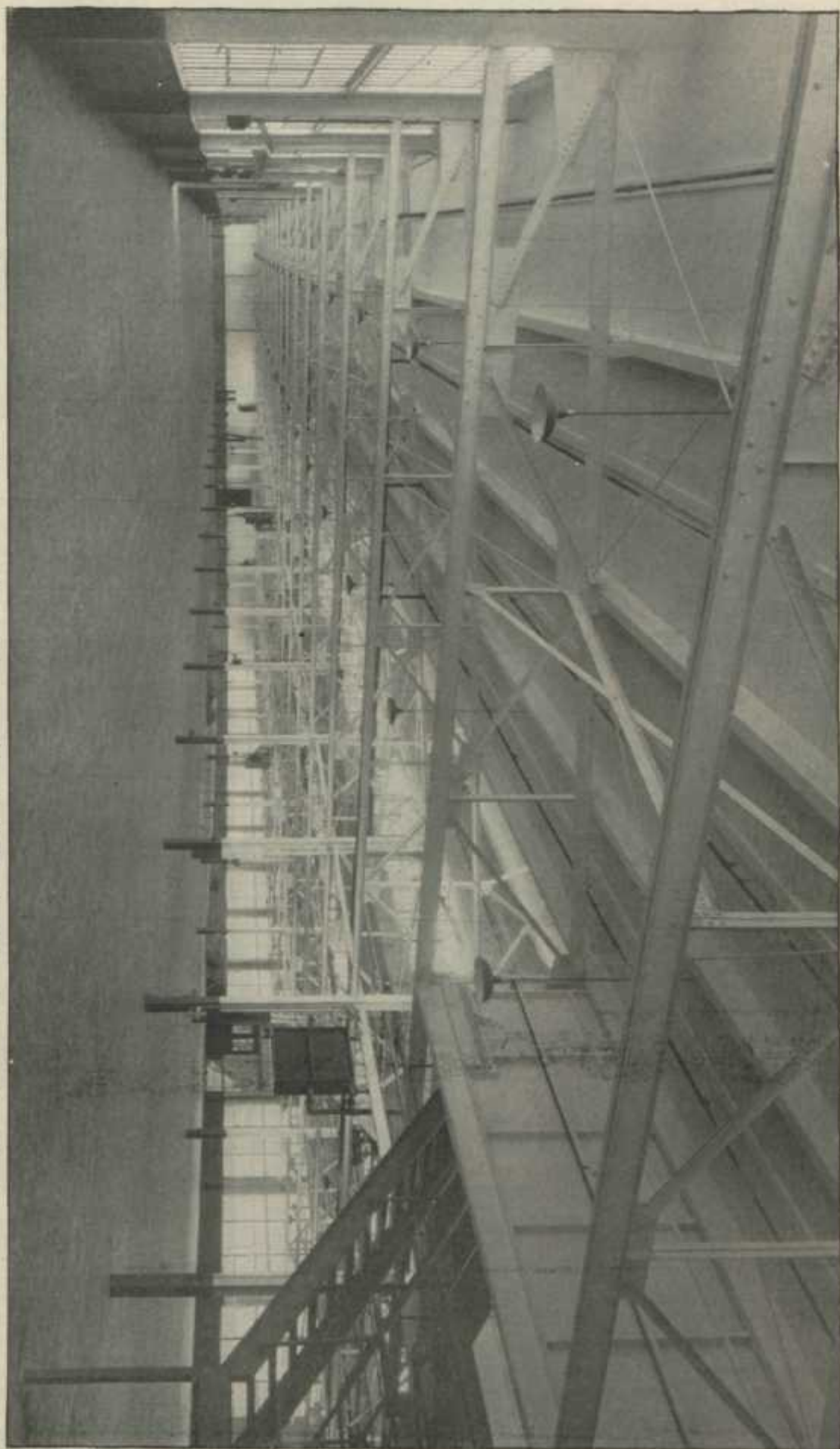
## Soda Squirted in His Eyes

SOON afterward, Bailey F. Williamson became a sales executive in that plant. It was his desire to coordinate production and sales in order to merchandise the product effectively. One day he sought to get through the refinery door. As usual, it was locked. Mr. Williamson was properly eager to look into the producing methods. In the course of subsequent proceedings, someone in favor of closure squirted caustic soda through the keyhole at Mr. Williamson, who had a difficult time with his eyes.

From that day to this, the door of the refinery has been unlocked. The key later reached the possession of young Mr. Harris, who had become manager of the refinery;







This is an untouched photograph of a Ferguson Standard No. 3 building just completed for the Continental Gin Company, Birmingham, Ala.

It is almost exactly like others of the same type in use by National Cash Register, Procter & Gamble, Showers Bros., General Electric, Robbins & Meyers, and other manufacturers who have bought this Ferguson building. Why waste your time and money in employing architects and making plans when Ferguson will ship this building from stock and guarantee useful occupancy in 30 working days at a definite price. Phone, wire or write.

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he threw it away. C. O. Young, who later became superintendent of a large packing company, is credited by some with doing more to break down useless and impeding superstitions than any other operating man.

### Some of My Secret Stuff

MR. YOUNG'S assistant was Myrick D. Harding, now one of Armour and Company's chief operating executives. Let Mr. Harding, a vigorous talker, make the point himself:

"I was going through the summer and fresh-sausage department with Mr. Young. We came to a little door that was locked.

"What's in there?" he asked the foreman. "That's where I mix my spices. It's got some of my secret stuff in it," the foreman replied.

"Open it up," Mr. Young ordered.

"That stuff's of value to me," the man protested.

them locked. Moreover, there were new feet lashing out against those doors. The chemist had now been inducted into the industry. He had joined the larger companies in the early nineties. Facing the chemist and confronted by him were the old rule-of-thumb practices; many of them sound; many, unsound; all treasured.

There was a long period, just now closing, when the chemists and operating men were almost constantly at each other's throats.

"I'd like to see that wise fool get a sample," said one operating executive when his company's chemist requested a specimen of product to test for quality. At one time, the failure of the operating department to furnish representative samples of lard was so persistent that a chemical engineer was set astride the tank car to take samples from time to time as the lard streamed into the opening. That young chemist was the same John Harris who afterwards went into the

for a limited but active and self-interested fellowship with the enemy.

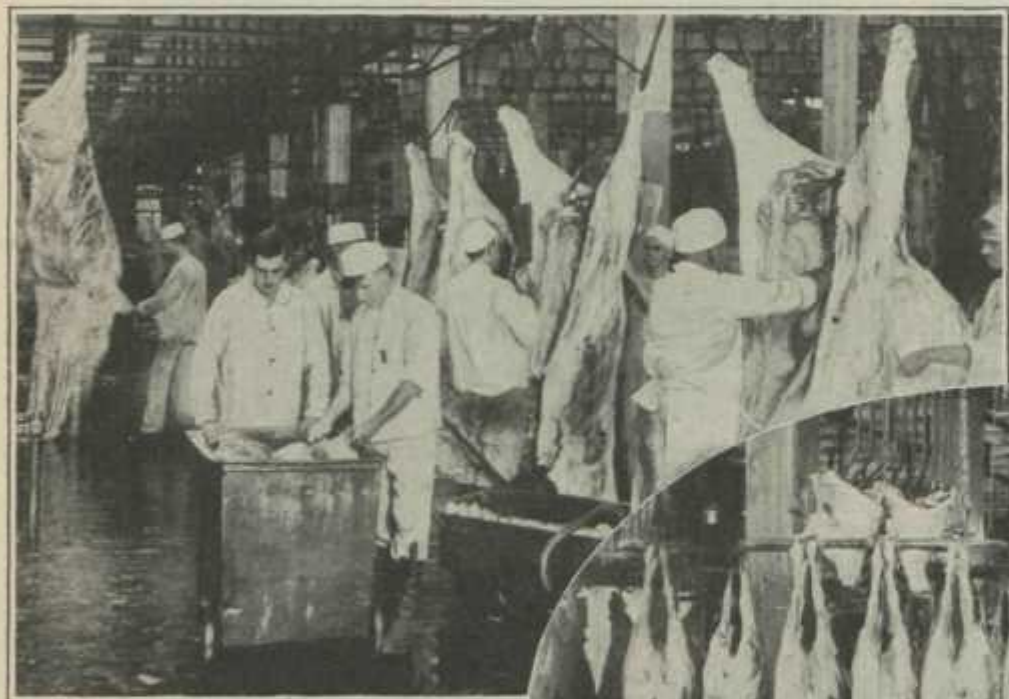
It might even mean testing the brine of several companies with the same potato. True, that would cut the potato-costs of each of them, but by all the cards it should not be a difficult feat for companies and personnel trained in merchandising a perishable commodity on an incredibly narrow margin under murderous competition. It was a foreboding prospect.

There must have been two hundred of them in that room, perhaps more, and theirs was a unique and unenviable distinction. In the preceding year they probably had lost more money than any group of business men in the history of the world ever had lost before. The operating deficits suffered by these men in a single twelve-month period had averaged more than a half-million dollars each.

They were the members of the Institute of American Meat Packers, in annual convention assembled. They had passed through a difficult period of readjustment following the war. The total losses of that group of men for one year alone exceeded one hundred million dollars—and the cards were still running badly.

### Institute Plan Endorsed

NATURALLY, men in this state of mind did not rouse themselves to frenzy over unrevealing parliamentary announcements, and merely shifted the weight of their heads to the other elbow when the chairman stated that a development plan, which had been proposed of Thomas E. Wilson, and known later as the Institute Plan, had been endorsed by the



Hundreds of men working in modern packing plants are preparing themselves for better positions in the industry by taking special evening and correspondence courses in the Institute of Meat Packing.

"If it's of value to you, I guess it's of some value to the Company!" said C. O. Young, and he kicked the door down!"

The specialist kept his special knowledge to himself. This was just the reverse of the situation with regard to manual labor. One man worked on hogs, sheep and cattle, and he learned to handle everything but the specialties. Mike Mullins, known as the King of the Butchers, could knock a bullock on the head, take off the hide, eviscerate the carcass and wash it in four and one-half minutes. Today, no packinghouse of importance would assign all of those tasks to one man.

Nothing was printed; nothing was written down. Information was handed along from father to son or son-in-law. At one time, a Boyle was curing foreman in every plant owned by Swift and Company, and the Beilsteins handled the beef and tongue curing. In Armour and Company, it was the Fitzgeralds and the Conways.

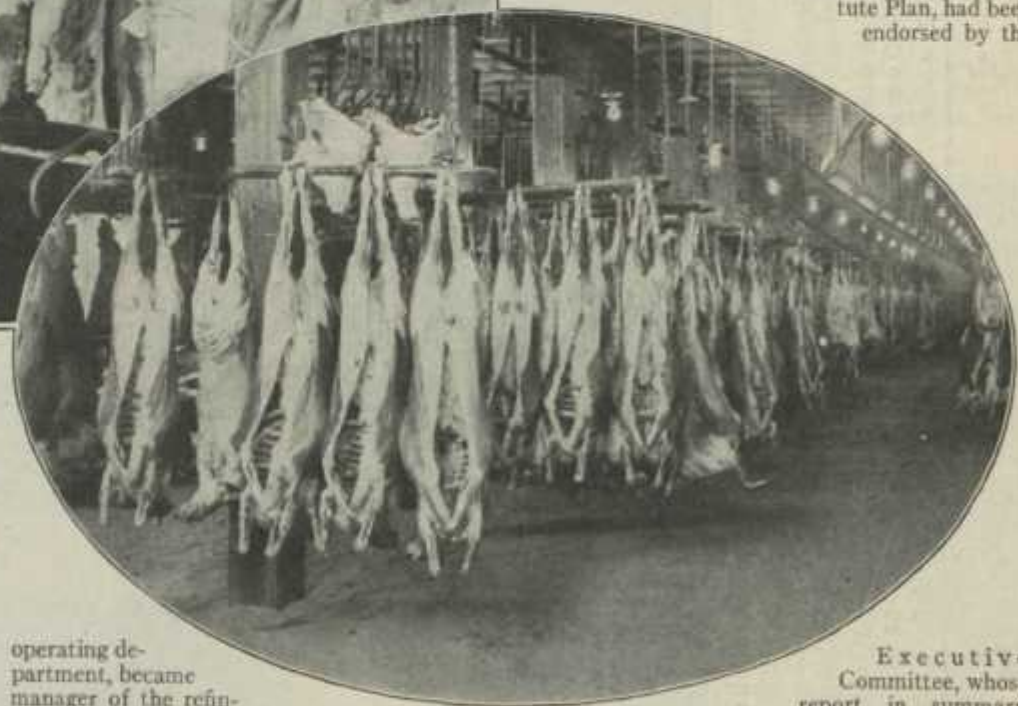
It was indeed a big door that Mr. Young and other broad-minded men kicked down. It was put up again, there or elsewhere, and there were other locked doors; but a crack had been sprung in the tradition that kept

operating department, became manager of the refinery and threw the key away.

Finally, of course, operating men and scientists reached a degree of understanding that made possible effective coordination of laboratory, plant and office. Company spirit took priority over individual jealousies.

It remained for the packing personnel to develop a trade consciousness, to evolve an industrial sense, to cooperate as members of the same business group, to think in terms of "the Industry," to perceive and act on the possibility of common benefits through common efforts.

The need was for teamwork as an industry; not competition against one another within the industry but cooperation with one another in competition with other industries;



### Executive Committee, whose report in summary

form now would be presented in the convention. The Chairman proceeded: "And in order to cover the initial surveys and developments during a three-year period, it is also recommended that, in addition to the regular dues, a special fund of \$150,000 be raised by voluntary subscription."

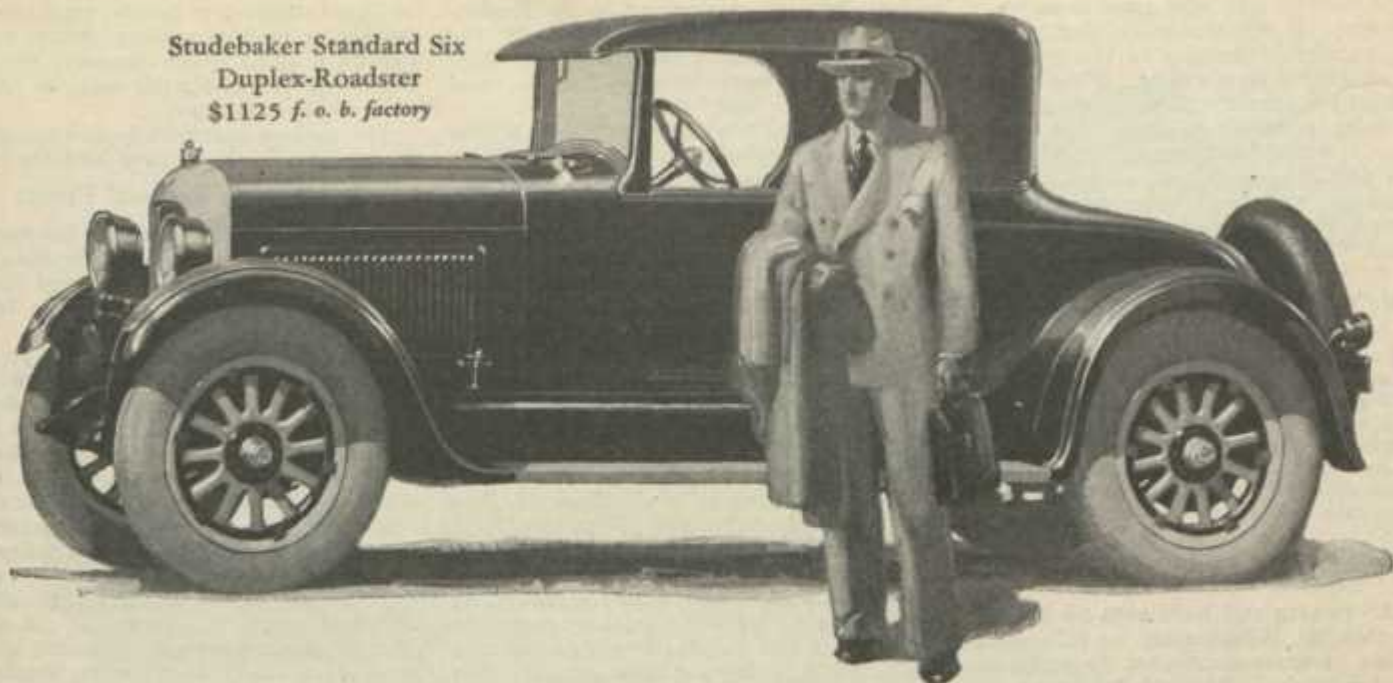
Now everyone was alert. These men could spark on \$150,000; it was money, the stuff they used to make profits.

"Some of us can raise the fund out of one day's losses," declared Jacob C. Dold, dean of the industry and vigorous proponent of the Institute Plan, in supporting the recommendation.

And what was this development plan that two hundred of the gloomiest and most con-



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The Studebaker Standard Six Duplex-Roadster gives dependability, greater comfort, more all-round satisfaction over a period of years than any other car used for similar purposes.

Under the rear deck of this roadster are 18 cubic feet of water-tight, dust and dirt-proof storage space. Enough to carry samples, literature, advertising mat-

ter and personal baggage. And like all Studebaker open models, it has the famous Duplex roller side enclosures, which give open-car freedom plus enclosed-car protection. The change is made in 30 seconds without leaving your seat.

### **A Better Car at a Lower Price**

The Studebaker Duplex-Roadster is built on the staunch Studebaker Standard Six Chassis. According to the rating of the National Automobile Chamber of Commerce, it is the most powerful car of its size and weight. For *performance* and *prestige* at a reasonable price you can't beat it.

Studebaker value is unmatched, due to One-Profit manufacture plus Unit-Built

construction. In our own plants we make all vital parts and bodies for Studebaker cars. This eliminates the extra profits of outside parts and body makers—enables us to use tougher steels, better grades of lumber, finer upholstery, and more exacting workmanship, all of which results in a much better car for the money.



# STUDEBAKER DUPLEX



servative business men were asked to embrace and finance? It was simply an effort of the largest industry in America to blue-print its future associative development. While it was a bad time for financing, it was a sound time for planning, inasmuch as things were at the bottom. It would have been difficult in that year to find a harder situation than that of this industry, with the possible exception of Germany. How was Germany handling the Problem? The answer was furnished in an article by Robert Crozier Long, published in *The Saturday Evening Post*:

The duty of creating technical schools and research institutes has been imposed on the rich industries. . . . Although Germany has already a model system of industrial research institutions, of which the Mulheim Coal Institute and the Karlsruhe Textile Institute are the most famous, no less than fourteen commissioners are sitting in different industrial centers to create new institutes or improve those already in existence.

#### Four-Year College Course

IT WAS to plan and build such an institution that Mr. Wilson asked his colleagues, in a year of grave depression, to make an extra subscription of \$150,000 "to cover the initial surveys and developments."

"The meat-packing industry today is evolving its future much as a spider spins its web—out of itself," Mr. Wilson declared. "The human material which the industry draws into its beginning office position today shows little improvement in the way of special fitness and training over the human material of twenty years ago, except such improvement as can be credited to the progress of public education and not to the industry itself. There is no educational feeder of trained men; no way by which the industry can draw to itself well-trained beginners or specially trained scientists."

Having stated this need, all that Mr. Wilson proposed to meet it was that the Institute provide a four-year college course, comprising fundamental training in business and specialized instruction in the principles of meat packing, for young men who wished to go to college and intended later to enter the packing industry.

"The stretch of time required for the worthy beginner to become a departmental executive," he said, "probably is as great as it ever was. He can learn only so rapidly as his mistakes and experience teach him. An ambitious man has only one source to which to go for knowledge, and that is to the men about and above him. In a sense, then, the future of the

packing industry, as measured by the development of its personnel, is limited by the present. The man below can learn little more—and no more rapidly—than the man above can teach him."

"So much for the beginners," Mr. Wilson said, pausing briefly, and added:

"Many departmental executives have specialized too closely. There is urgent need of providing facilities through which knowledge of the interrelations of fundamental departments and their functions, as well as the relation of the business as a whole to world economics and social factors, can be acquired and constantly broadened."

And all Mr. Wilson proposed to meet that need was that the Institute provide extension instruction by evening classes and correspondence courses for men already engaged in the packing.

Then the proponent of the Institute Plan really warmed up to the job in hand and kicked down a few doors on his own account.

"Our industrial experience is not systematized," he said. "No packing company, as far as I know, has any adequate system for perpetuating and handing down to the next generation in readily available form the sum of its experience."

#### Stirred Remaining Dregs

MR. WILSON'S other proposal stirred whatever dregs remained in the twenty-five bottles of colored water, but this time the magicians—operating men and scientists—helped him do the stirring. First, asserting that much research and analytical work of common interest was duplicated, with multiplied cost, and that other research was limited

to lines calculated to become profitable fairly quickly or to lines yielding returns covering the cost if borne by one company, Mr. Wilson urged that the association add the functions of a research institute.

The packers unanimously adopted the recommendations. What have been the results?

#### Affecting Packers' Profits

TWELVE months after the Institute Plan Fund was subscribed, the Chairman of the Institute Plan Commission reported the progress made to the President of the Institute in the following summary:

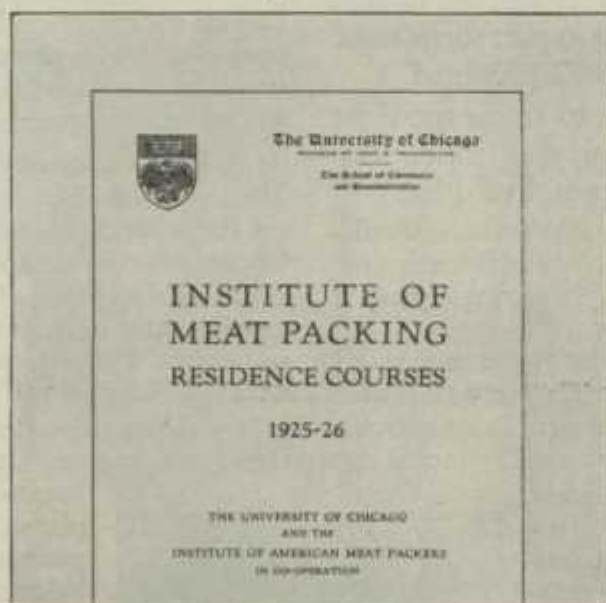
"Looking back to this date a year ago, when the packing industry with the largest single production in America, was detached and somewhat ignored educationally, it is hard to believe that today, twelve months after the first funds were received, men by the score—by the hundreds even—are taking evening classes and correspondence courses; that it would be possible to publish today three volumes of several hundred pages each on three subjects important to meat packing and on which organized information did not exist six months ago; that men are at work in research laboratories for the Institute on problems affecting all packers and their profits; that distinguished scientists and educators are giving their whole time to fundamental phases of meat packing; that a world-famous university is cooperating in working out the educational problems of meat packing; that a well-trained operating man is giving his entire time to the task of gathering from leading practical experts information about the best present practice and about methods of improving it.

"Where will we be two years from this time?"

It is now approximately two years since that time, and Mr. Wilson's closing question finds affirmative and amazing answers.

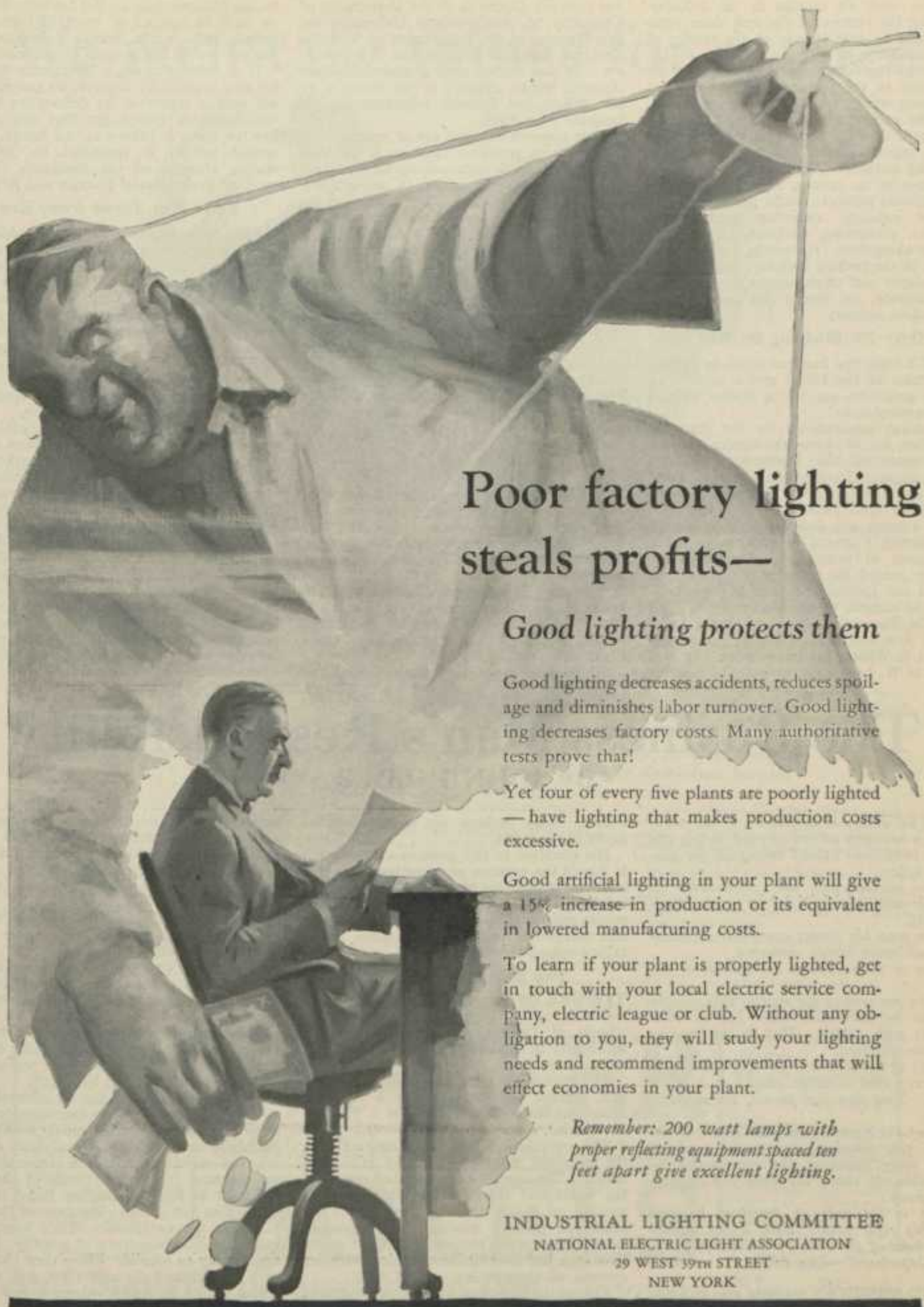
There recently came from the presses of the University of Chicago a printed catalog with the title: "Institute of Meat Packing." The form of this cooperation is a story in itself. It is accomplished through a Joint Administrative Committee on which the industry has four representatives and the University seven. Similarly, the instructors are men from the industry and men from the University.

The residence courses are designed to give the student a good university education in the principles underlying all business, and specialized instruction in the application of these principles to meat packing. All students are required, before receiving a de-



The University of Chicago is cooperating with the meat packers, helping them work out the educational problems of their industry





## Poor factory lighting steals profits—

### *Good lighting protects them*

Good lighting decreases accidents, reduces spoilage and diminishes labor turnover. Good lighting decreases factory costs. Many authoritative tests prove that!

Yet four of every five plants are poorly lighted—have lighting that makes production costs excessive.

Good artificial lighting in your plant will give a 15% increase in production or its equivalent in lowered manufacturing costs.

To learn if your plant is properly lighted, get in touch with your local electric service company, electric league or club. Without any obligation to you, they will study your lighting needs and recommend improvements that will effect economies in your plant.

*Remember: 200 watt lamps with proper reflecting equipment spaced ten feet apart give excellent lighting.*

INDUSTRIAL LIGHTING COMMITTEE  
NATIONAL ELECTRIC LIGHT ASSOCIATION  
29 WEST 39TH STREET  
NEW YORK



gree, to work six months in the industry.

All of the courses of the first three years are taught by men already on the faculty of the University of Chicago. Most of the courses of the fourth year will be taught by executives of the packing industry—men of experience who are also of the teacher type.

In the evening classes to date, there have been more than 200 men, with a total of 300 course registrations, distributed among the following subjects: Principles of economics, economics of the packing industry, marketing packinghouse products, traffic problems of the packing industry, exporting packinghouse products, accounting, packinghouse accounting, packinghouse operations, service of science in the packing industry, fundamentals of employer and employee relations, packinghouse finance, and credits and collections in the packing industry.

#### Over 200 Studying by Mail

**M**ORE than two hundred men—in various states of the Union and a number of foreign countries—are taking similar courses by correspondence.

Admission requirements for the four-year curriculum are, of course, the regular entrance requirements of the University. William Homer Spencer, Dean of the School of Commerce and Administration, is Director of the Institute of Meat Packing.

The courses are building a literature of the industry, a record of experience, and a formulation of principles. They also are bringing toward the industry a specially interested and specially prepared personnel.

On the campus of the University of Chicago, the Research Laboratory of the Institute of American Meat Packers, founded by Thomas E. Wilson, has been placed. It is in charge of W. Lee Lewis, inventor of Lewisite

and formerly Chairman of the Department of Chemistry at Northwestern University but now Director of the Department of Scientific Research, Institute of American Meat Packers. It was started with a grant of fifteen thousand dollars donated to the Institute by Mr. Wilson last October, supplementing the Institute Plan Fund.

Four research chemists are at work in that laboratory on problems common to all meat packers. Two of them are working on bacteriological problems having to do with the conservation of product. The results of one of these studies already have been worth a good deal to the industry.

The other two chemists have been investigating the curing process. One of them has been experimenting with the use of nitrite of soda instead of nitrate of soda in curing, and has solved the problem. Inasmuch as the nitrite costs only twice as much by weight as the nitrate, and inasmuch as only one-tenth as much nitrite is required, the saving which will accrue to the industry will be very large. The generosity and initiative of the scientists of the Bureau of Animal Industry, United States Department of Agriculture, made this study possible.

#### Laboratory Is Established

**T**HE FOURTH research chemist has been dropping his potato into the sugar cure. He has found that cane sugar is not the only sugar which gives a highly palatable product.

The Service Laboratory of the Institute of American Meat Packers has been established at 9 South Clinton Street, Chicago, with Dr. Lewis in general supervision and Mr. J. A. Hynes, until recently Chemist for the United States Appraiser at Chicago, as Chief Chemist.

When some proprietary product is offered

to the 250 members of the Institute, there is no need to conduct or buy 250 tests. One sample sent to the Service Laboratory for analysis serves the purpose at one cost.

If a member sends a deficient sample of his own product for analysis, he can get back not only a report of its deficiencies but an explanation of how it got that way and of how to make it behave in the future. This second service is furnished by John P. Harris, Director of the Institute's Department of Packinghouse Practice and Research.

#### Same Man Threw Away Key

**Y**ES, he is the same man who straddled the tank car to get a good sample, and who threw away the key that had locked the door to the lard refinery. This advisory committee is made up of the leading operating men of the industry—men who are pooling their information on the fundamentals of good common practice and helping Mr. Harris to record an operating literature, to improve present processes; and to eliminate unnecessary sizes of supplies and equipment through cooperative standardization.

There is still keenness of competition, as there should be among the members of the Institute; but it is matched by the keenness of cooperation on problems of common interest: education, operations, experimentation, recording, standardization, cooperative research, cooperative analysis.

Those are some of the aspects and some of the results of the Institute Plan. The full outcome should shed light on the question whether the plan of the German Industrial Institute, carrying on industrial research and training technicians, is practicable for competitive American industries. In the packing industry, so far the answer has been splendidly affirmative.

## The Business Man's Responsibility

By JOHN IHLDER

**N**EVER before in the history of our country has such an era of good feeling and mutual confidence existed among all the people as today.

Never has the man who works with his hands or with his head had so great an opportunity.

At no time has honest constructive citizenship been more highly respected.

Never so little envy in the success of the other.

Ninety per cent of the men of this country want to be fair—more than fair in their relations with others. That is the modern American standard.

A part of the other ten per cent still live in the theory that a dollar gouged is a dollar earned. That day has passed, let us hope, forever.

One of the elements that can shake, if not destroy, this American structure of good-will is the petty minority, the every-man-look-out-for-himself class; the little last-drop-of-blood group.

What is the task of American business leadership right now? Here is the answer by the head of the Chamber's Civic Development Department.—The Editor.

**T**HE AMERICAN business man is today the most influential person in the nation. Because of the wealth and manpower of our nation, the American business

man is today perhaps the most influential figure in the world.

His elevation to this position of leadership is due to the creation of acute problems that seem to require his kind of talent for their solution. His predecessors in leadership, the soldier and the politician, created the problems and then proved unable to solve them. Their failure opened the way to him.

#### Two Schools of Thought

**B**EFORE the war, which made these problems acute, there had developed two schools of thought on economic questions which may be classified broadly as capitalistic and socialistic.

The anarchistic school never had a significant number of adherents and is today so little considered that at present it may be disregarded.

The capitalistic school was dominant with the socialistic making noteworthy gains as a theory. The capitalistic school had organized the world and therefore had the great advantage of being able to demonstrate its ability to produce results. It did produce results by creating greater wealth per capita than man had ever produced under preceding systems of organization.

The socialistic school had not demonstrated its ability to produce material results. Experiments on a small scale had failed to grow and usually had died after a few years. Con-

sequently it remained essentially a theory as opposed to the capitalistic fact. But it remained a theory with very zealous advocates and some of the concrete proposals of its advocates had commended themselves to the dominant school.

Our post-office, though established by the practical-minded Franklin long before Marx was born, may be cited. The "state socialism" of the former German Government is a better illustration. Lloyd George's land policy was indicative of its influence in pre-war England.

The reason for this was the belief that the capitalistic system, while it admittedly created wealth, did not fairly distribute wealth and the opportunities opened by wealth.

Then came the war and its aftermath of poverty and misery. Economic questions became of immediate and paramount importance. Socialism made a bid for dominance, declaring that capitalism had been responsible for the war and for the aftermath of the war.

Except in Russia, socialism failed to consolidate its first gains. The mass of the people were not convinced. They longed for quiet and some assurance of security; for an opportunity to rebuild. These they identified with capitalism. So capitalism won everywhere except in Russia where it had never been strongly entrenched, and even there capitalism recently has made as great gains as socialism ever made in a capitalistic



# We men take things for granted



SOMETIMES I count my change and sometimes I don't.

Sometimes I look at my railroad ticket, to see that it's what I asked for, and sometimes I don't.

Sometimes I question the waiter as to whether this fancily-named dish has onions in it; or ask the barber if his comb is sterilized, and sometimes I don't.

Probably the men and women who come to our hotels are as apt as I am to take things for granted.

So I want to tell you that you can take it for granted that these hotels are kept scrupulously clean and "as new"; are managed and manned by people who are anxious to have you

comfortable, contented and happy while you're with us. We are always checking and re-checking, so that you may take things for granted and be right.

I want you to know that our rates are reasonable—that you rarely get as much for your money in other first-class hotels as you do here.

And if you have an unsatisfactory experience with us we want to know about it; the management will be keen and prompt to satisfy you.

*Emory*

## Rates are unusually low, in comparison with those of other first-class hotels:

Single rooms are from \$3 in Cleveland, Detroit and St. Louis; from \$3.50 in Buffalo, and from \$4 in New York.

Twin-bed rooms (for two) are from \$5.50 in Cleveland, Detroit and St. Louis, from \$6.50 in Buffalo, and from \$7 in New York.

And remember that every room in these houses has its own private bath, circulating ice-water, and many other conveniences that are unusual—such as, for instance, the bed-head reading lamp, the full-length mirror, the morning paper that is delivered

to your room before you wake.

In every room, too, is posted a card on which is printed the price of that room, for one or for two people. You know exactly what the room is costing you—and that you're paying no more than anybody else would pay.

We provide, too, a variety of restaurant-service—and restaurant-prices. In each of our hotels is a cafeteria, or a lunch-counter, or both—in addition to the more elaborate dining-rooms which you expect of first-class houses.

## Boston's Hotel Statler is Building:

In the Park Square District of Boston (Columbus Ave., at Arlington and Providence Streets) construction has begun on the New Hotel Statler—which will have 1300 rooms, 1300 baths, and all the comforts and conveniences for which these hotels are world-famous.

**Buffalo—and Niagara**  
The newest Hotel Statler, (1100 rooms, 1100 baths) is in Buffalo—delightfully situated on Niagara Square. Across the street from it is the new Statler Garage, a marvel of convenience throughout—and especially appreciated by tourists visiting NIAGARA FALLS, which is but 23 miles away. The old Hotel Statler in Buffalo is now called HOTEL BUFFALO.

# STATLER

Buffalo~Cleveland~Detroit~St. Louis

# HOTELS

*Hotel*  
**Pennsylvania**  
*New York*

The largest hotel in the world—with 2200 rooms, 2200 baths. On Seventh Avenue, 31d to 33d Streets, directly opposite the Pennsylvania Station. A Statler-operated hotel, with all the comforts and conveniences of other Statlers, and with the same policies of courteous, intelligent and helpful service by all employees.

And Statler-Operated Hotel Pennsylvania~New York



country before the war. Consequently capitalism is today triumphant and the American business man, as its most conspicuous exponent, occupies a position of leadership which the business man has never held before.

This means that he is on trial. The coming years are his. Whether those years are to be few or many depends upon his ability for leadership. Whether this era of business leadership will be one that compares well with other periods in history when other groups led, is the question which the coming years will answer.

### Preludes to the Present

**B**USINESS heretofore has been permitted to concern itself fairly exclusively with the practical details of business. Questions of national or international political policy, questions of social policy, have been decided for business men, though they have been called into consultation and their point of view has been given consideration. At times they have even had a short period of leadership as under Walpole in England and McKinley in the United States. But these were mere preludes to the present.

Today's leadership, if it is to make good, involves consideration for, and sympathetic understanding of, many questions outside the field of business in its narrower sense. A syncopated definition, often quoted, states that "the function of business is to supply the material needs of mankind." That is perhaps an adequate and certainly a clear definition of business as business.

A similar definition of the military would be that its function is to defend its country. But when the military group has led, it has had to go much further in order to maintain its prestige. In time of danger its chief function was sufficient to maintain its power. In time of peace its leadership was tolerated only if other desires than that for security were gratified.

Even Napoleon felt the need of fostering civil accomplishment to supplement his military glory. The Code of Napoleon ranks as an achievement comparable to and more enduring than his victories. He encouraged art and literature. So with Queen Elizabeth. While the great need of her time was to secure internal peace and security against foreign aggression, the enduring glory of her reign was in fields that had nothing to do with war. It was accomplishment in such fields as literature and architecture which aroused much of the enthusiasm and bred much of the loyalty that enabled her to defeat enemies at home and abroad and which today convinces us that the Elizabethan Age was a great age.

### Business Man a Leader

**S**O IT must be today, in the business men's age, when the first task is to supply the material needs of mankind. Because of this first need the business man has been called to leadership. But if he does no more, his leadership will be of short duration and soon forgotten.

Lack of bread is a grievous thing and calls for immediate attention. But a full stomach becomes a commonplace to those who have it. A lively sense of its importance can be maintained only through fear of hunger. But civilized man bates and constantly tries to rid himself of that which inspires him with fear. In this lies the strength of socialism which promises the individual an end of the fear of material want, as its weakness lies in the fact that it has failed to demonstrate its ability to redeem its promise.

Continued enthusiastic support for any

regime depends upon the opportunities it opens for growth in things of the mind and the spirit. Material well-being is the foundation, but a foundation alone is meaningless. It may be said that no poverty-stricken nation has made significant contributions to civilization. When all man's effort and thought must be given to the basic necessity of staying alive, he has no surplus of time or strength for development.

Capitalism has supplied this surplus in the greatest measure the world has yet known. So it provides the amplest foundation we have yet had upon which to erect the superstructure of civilization. The question now is, will and can the business man as leader concern himself with more than his business, perform his primary function of supplying the material needs of mankind and in addition make noteworthy contributions to civilization?

If he can and does he will enlist the support of those who have enthusiasm, of those who have a passion to create and build in the realm of the mind and the spirit. If he can not go beyond his primary function, if to him the purpose of mankind is achieved when its material needs are supplied, he will lack the support of those who have this enthusiasm, and lacking that support, his leadership will last only until the material needs are met. Then he will be relegated once more to a secondary place.

### Materialism Is Not All

**I**N PUTTING this question it must, of course, be admitted even by his severest critics that individual representatives of the business man have made notable contributions to civilization.

Especially is this true in America. In fact it is inconceivable that the business man would today occupy his position of leadership if there were not evidences on every hand that many business men know and understand other aspirations than the material. Were it not for these evidences the nation would not dare trust its guidance to their hands. What is questioned is whether business men as a group recognize and sympathize with man's non-material needs.

The answer will come, not from individual business men of unusual vision and understanding, but from organized business which represents the ideals and aspirations of business men as a group. It is the Chamber of Commerce that presents to the community its picture of the business man.

Current literature shows how clearly the non-business elements in the country differentiate between the occasional business man who founds universities, endows institutes of research, supports new movements, and the vast majority of business men whose chief means of expressing themselves as business men is through their business men's organizations.

In spite of occasional cartoons portraying him as a patron of art and science, in spite of occasional editorials, a popular conception of the business man is illustrated by the wide use of the word *babbitt*, without a capital.

So it is necessary, if the business leadership of today is to have the support which alone can make great achievement possible, for organized business to win recognition for public spirit, to demonstrate that the business era having provided material wealth can and does use that wealth to provide ever wider opportunities for all the people, to serve the needs of the mind and the spirit. Not by domination, but by opening the way to creators and builders; not by standing aloof, but by participation, will it win enthusiastic loyalty. Again it should be em-

phasized, this is not a new aspiration. Individual business men have demonstrated their vision and their understanding; the business men's organizations have made much more than a beginning. The difficulty is that their accession to leadership brings with it an accession of responsibility.

Much more is expected of them and wherever performance lags they are subjected to criticism. Having attained a position of prominence they can not at the same time enjoy the immunities of the obscure. Those tasks outside the narrower field of business which they once undertook in a spirit of mere good-will, have become tasks the successful doing of which will be held to measure their capacity for leadership.

So the chambers of commerce are measured by a new standard, one which the best among them are meeting. They remain and must remain business organizations if their name is to have meaning. But that phase of their work which expresses the business man's interest in his community has acquired a new significance.

### Intentions Not Sufficient

**T**HE WORDY, emotional, uninformed or half-informed altruism caricatured in Zenith City has no place. Aspiration and good-will alone are not sufficient equipment for those who would deal wisely and effectively with the problems of education, social service, the immigrant and the alien, the improvement of living conditions.

They must have available all the significant facts in these fields and, in addition, must be able to interpret these facts in terms of the community's interest even when this runs counter to some private interest or to some strong prejudice. The action of an underling may be vetoed by a wiser superior. The action of a leader is judged by the result.

So, as leader, the business man has the responsibility of seeing that the job is adequately done. The difference between now and times past, like nearly all differences, is one of emphasis. The amateur becomes a professional, not because of pay, but because his work has become of vital importance to him. The American business man today is vitally concerned that the schools of his community provide adequately for all the children of his community, that they are properly equipped and staffed to develop men and women who will be assets in the economic world and dynamic citizens of the Republic.

He is vitally concerned in the social liabilities of his community, the number and the condition of his fellow townsmen who are physically, mentally, morally handicapped, the conditions that make for dependency and delinquency. If he is to be a leader he must know about these as he knows about the personnel of his own business and the weak spots in his own organization. And knowing he must exert himself in one case as in the other.

Obviously no individual can inform himself on all the community's problems, but by dividing those which have an evident relation to business among its members, the chamber can make itself an informed and a wise leader. It will not, by such means, assure itself against attack and ridicule. That is neither its purpose nor its desire. Rather it should welcome them as an aid in its self-examinations.

Its purpose is to achieve, and the outside critic often furthers that purpose. Its desire is to make its community and its nation more prosperous and on the basis of that prosperity, stronger, abler, finer than it could have been under any other leadership.



## Point No. 1



... Note that the upper part of the window, which is the most effective lighting area, is utilized to best advantage.



## Point No. 2

... Mark how light rays are reflected to the ceiling, where they are again reflected and diffused. Thus, subdued, restful daylight is evenly distributed throughout the entire room.



## Point No. 3

... See how the adjustable slats are tilted at an angle. This arrangement properly shades the window, and lessens the intensity of bright sunlight.



Office Equipped with Western Venetian Blinds

## A wave of your hand Controls Daylight....

**I**NSTANTLY... you can change bright, glaring sunlight to subdued daylight; regulate the intensity of daylight; admit invigorating breezes of fresh air; and eliminate draft.

... This perfect control of daylight and air is made possible by Western Venetian Blinds, and on your part only a slight pull on the operating cord, a wave of the hand, as it were, is necessary.

... Western Venetian Blinds are constructed of thin, non-warpable slats of Port Orford white cedar, scientifically arranged to render this remarkable service. Daylight is controlled by reflection. All light rays are reflected to the ceiling, where they are again reflected and diffused into soft, restful daylight. Ventilation is controlled and draft eliminated by diverting air currents upward.

... Thus, by performing a complete and better service, Western Venetian Blinds require no accessory equipment.

... Every month thousands of business offices, and entire office buildings, banks, public buildings, etc., are equipped with this modern window equipment which is rapidly replacing the older types, first because of service, second, because of economy.

... Mail the coupon now for free, illustrated book and discover the many advantages of Western Venetian Blinds.

## Western Venetian Blinds

MORE LIGHT—MORE AIR—LESS GLARE

WESTERN VENETIAN BLIND COMPANY

Factory and General Office: Los Angeles, California

New York Chicago Kansas City San Francisco New Orleans  
Atlanta Birmingham Portland, Ore. Seattle St. Petersburg, Fla.  
Texas Agents: Two Republic Sales Service, Houston, San Antonio & Dallas

## Point No. 4



... There is no need to continually raise, lower or adjust Western Venetian Blinds—light control is accomplished by the scientific arrangement of slats.



## Point No. 5

... Regulation of ventilation is also accomplished. The windows may remain open while the blinds are lowered without interference with daylight control.



## Point No. 6

... Draft is eliminated because air currents are diverted upward. Therefore, brisk, refreshing breezes may be enjoyed without discomfort.



WESTERN VENETIAN BLIND COMPANY  
Dept. W-11, 2700 Long Beach Avenue, Los Angeles, California  
Please mail me copy of your new book "Daylight Control Plus Ventilation," showing photographic illustrations of installations of Western Venetian Blinds.

Name \_\_\_\_\_

Business Firm \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_



# Business and Higher Learning

By JOSIAH H. PENNIMAN

*President of the University of Pennsylvania*

Cartoon by  
Albert T. Reid

A LETTER from my office asked this question:

"In the light of your career since graduating, what in your college education appears now to have been of greatest value to you?"

It went to some fifty leaders of opinion, including judges, physicians and surgeons, engineers, clergymen, cabinet officers, writers, railway executives, industrialists, editors, merchants, bankers, and diplomats.

Without exception, the replies expressed warm gratitude for what was received from the various alma maters.

The following two impressions, which say much the same thing from different angles, may be taken as a summary of all: "How you man your faculty is much more important than how you make your curriculum." The other describes a college education as "an orientation of the different branches of knowledge, which might be described as furnishing the common ground of all the professions and higher occupations of life."

## Higher Education Under Fire

THIS is what colleges have given students in the past—the rounded-out picture of knowledge and a feeling for the power and service of knowledge through contact with great minds—and this is what colleges must give students in the present and the future, or else be false to their high calling.

I have emphasized this point because there appears to be a good deal of popular confusion as to what colleges and universities are seeking. Higher education in the United States is under fire. Some go so far as to say that learning is losing its fight with ignorance. It is feared that universities, by catering to the needs of business and everyday life, are merging with that life and are sapping their powers of leadership. To such persons the proper function of a university, and especially of a college, is to withdraw the student from contact with the workaday world and to immerse him in general principles.

What they see today is apparently some-

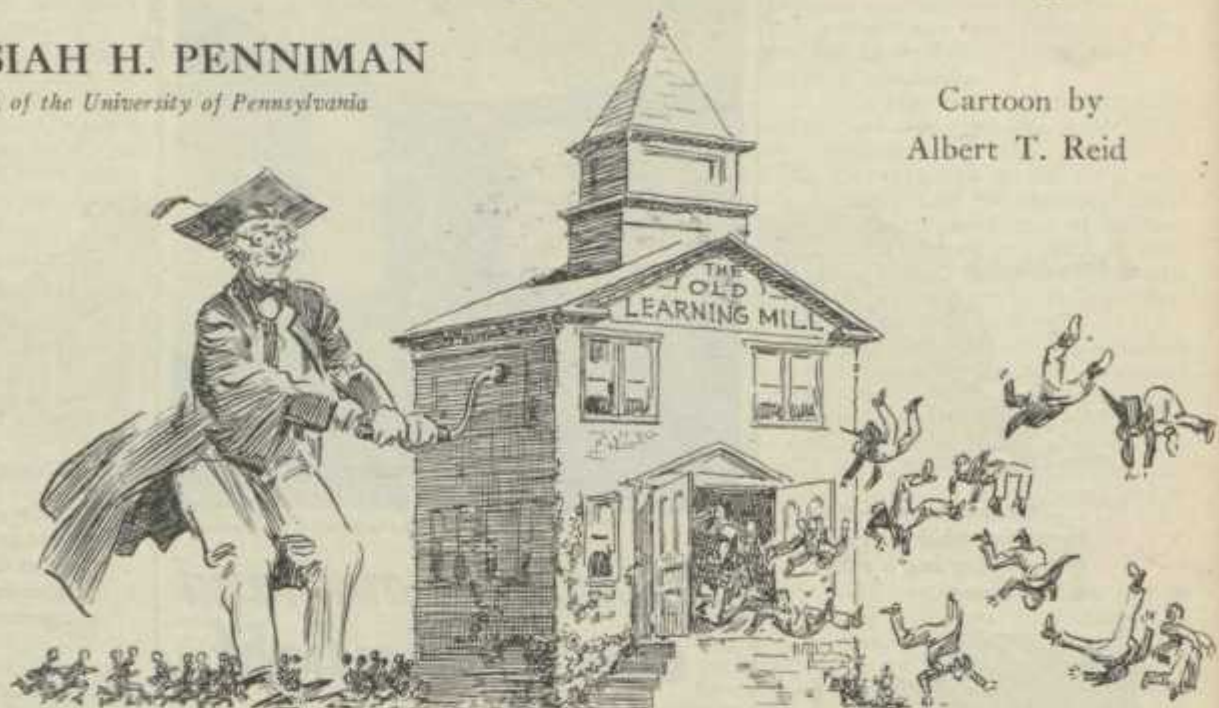
thing very different. Instead of a cloister on the campus, they seem to see a public service corporation, poking into the whole range of practical activity. They see at the University of Pennsylvania the Wharton School of Finance and Commerce carrying on industrial research for firms in the neighborhood of Philadelphia. They see the Moore School of Electrical Engineering taking up with the latest mechanical fashion—radio—and testing the strength of signals from a broadcasting station at various points in the city. They see a psychological clinic doing practical work on children handicapped by speech defects or mental backwardness. The spectacle to them is ominous.

Their alarm is heightened by the knowledge that enrollment here and elsewhere has recently gone up by leaps and bounds. The inference is that higher education has become popular and hence commercialized. From the fact that youth is now besieging universities, they draw the conclusion that higher education has lowered its standards.

## Certain Dangers in Situation

WHILE I do not share the fear, I should be blind if I did not recognize certain dangers in the present situation. Learning, to be true to itself, must continue to be a high-minded guide and not become a mercenary partner. In general, I believe that the educational activities of the present day are animated by this ideal.

Readers of NATION'S BUSINESS will be interested to learn that, while the systematic application of higher learning to the daily needs of the public is of recent date, something very like this was foreshadowed in the outlook of two great American educators more than a century and three-quarters ago—Benjamin Franklin and William Smith. Franklin





# Largest Company-Owned Truck Service Organization in the World

Typical International  
Branch



There are 111 International Harvester branches in principal cities in the United States alone—the farther you go from one the nearer you get to another.

**F**OR two very good reasons you can be sure of maximum ton-miles at minimum cost from any International Truck.

In the first place service is built into every International at the factory; for twenty years these trucks have proved this. For almost a hundred years other products of the Harvester Company have earned the same reputation.

And International Trucks have at their service the largest company-owned truck service organization in the world. There are 111 company branches in this country alone and these

are supplemented by the work of our dealers everywhere. Canada has its 17 International branches and many dealers at the command of International owners. For those interested in truck ownership abroad, International has adequate representation and facilities for service in foreign countries over the globe.

There's an organization thoroughly in keeping with the Harvester reputation for service—one that will insure for you all the service from your International Trucks that the Harvester Company has built into them.

*The International line includes a Speed Truck for 2000-pound loads; Heavy-Duty Trucks ranging from 3000 to 10,000 pounds, maximum capacities; and Motor Coaches for all requirements.*

INTERNATIONAL HARVESTER COMPANY  
606 SO. MICHIGAN AVE. OF AMERICA  
(INCORPORATED) CHICAGO, ILL.

# INTERNATIONAL HARVESTER TRUCKS



was a founder of the University of Pennsylvania and Smith was its first provost. Both believed that higher learning should be set to work in practical ways. In an early issue of the *American Magazine*, William Smith explained that Pennsylvania was preparing youths not only for the learned professions but for "merchandise," the "mechanic arts," and "inferior callings."

This, except for the antiquated terminology, sounds modern even today. It was certainly a most progressive view at a time when all other colleges limited themselves to preparation for the learned professions, mainly the ministry.

The attitude of Franklin in this matter is easy to understand. He practiced in his own life what he preached for the college. One of the greatest scientists and philosophers of his age, he was forever applying his knowledge to the wants of the community. He invented the Franklin stove, he originated the first circulating library, the first safety commission and fire department in Philadelphia. While a finished diplomat in France, he set up a press at Passy and became again what he was as a young man, "B. Franklin, printer."

In England, he discussed with Joseph Priestley the future of industry. Thus he predicted the invention in the near future of a machine which would spin simultaneously more than one thread of cotton, a prediction which was almost immediately fulfilled.

For Benjamin Franklin, higher learning had a dynamic quality which was capable of tremendous possibilities. He saw no barrier between culture and applied knowledge. No one has ever accused him of lacking powers of speculation simply because his feet were firmly planted on the ground. His attitude may be accepted today as the ideal of a university. And, fortunately, this is the ideal to which education in America is now aspiring.

### University's Broad Outlook

UNIVERSITIES have broadened their field of observation, but they have not forgotten that their strength lies in the superior powers of higher learning, not of any one department but of all departments. Dr. William Mayo used a phrase the other day which goes to the root of the matter—"the difference between a college and a correspondence school."

Why, for example, is the Wharton School of Business and Finance, of the University of Pennsylvania—the first of its kind, by the way, in America—more than a correspondence school or more than the old-fashioned business school which used to flourish? There are many reasons, but the main reason is that it is an integral part of the University of Pennsylvania. It shares the spirit of the whole university and has the university's broad outlook. It deals in general principles and scientific methods, and these have been built up by age-long experience under academic influences.

Why is an agricultural school of a great university so important to the success of farming? Again, because it is part of a whole. The point is made clear by the use of two terms which are now well-known in agricultural cir-

cles—biochemistry and animal husbandry. Biochemistry, which is doing wonders with the soil, came into being as a result of the cooperation of several university departments. Animal husbandry depends upon veterinary medicine, which in turn has profited by association with the work of medical schools, including chemistry, pharmacology, surgery.

Is it not plain that higher learning can be of greatest assistance to outer life by being true to its best ideals, by keeping before itself the picture of knowledge as a whole—culture—even when occupied with a very special line of activity?

Happily, the public is coming to understand this. Evidence is not wanting. I was particularly impressed to see a report issued a year or two ago by a committee composed of prominent educators and industrialists. They said that something like 400,000 new positions in industry, leading to technical and administrative responsibility, would have to be filled in the remaining years of the decade. They called upon the universities to help provide the men and warned that broad, as well as technical, training would be required.

### Cooperation With Business

THE CURRICULUM which they suggested might almost be called a liberal education. It included such subjects as English and other modern languages, history, government, psychology, in addition to the sciences.

Readers of this magazine will also recall that George F. Baker, one of our foremost business leaders, in making his magnificent gift of \$5,000,000 to Harvard, appreciated the essential character of a university's service. A university school of business, he said, could be practical without being too practical.

He expressed the confident hope that, with the cooperation of universities, the conduct of business might reach the high plane long occupied by the learned professions. Business is turning to universities for assistance because it is the function of these institutions to view human relations with breadth and with a difference, and thus to create a valuable perspective.

There is today so much active cooperation between business and higher learning—whether in industry, in commerce, or in banking—that one is amazed to discover how recent is its origin, on anything like the grand scale seen at present. Beyond ques-

tion, it is the result of a real rapprochement. Business felt the need of higher learning and higher learning saw inviting fields in business.

In all such complicated matters it is dangerous to generalize. But I suspect that the first groping of business for the broad truths which are the staple of universities was the endeavor to work out the principles of "efficiency" and to develop the psychology of salesmanship.

### Engrossed in Speculations

FOR A while business was engrossed in the new speculations. Salesmen "psychologized" all day long, and "efficiency" turned offices and homes upside down. Today the textbooks of business are written very largely by college professors. And the development of all kinds of business on scientific lines has directed attention more and more to the home of scientific principle—the university.

Correspondingly, higher learning would not be the powerful instrument it now is if it had not been taught by business how to become skilfully organized. The gulf between higher learning and the concerns of daily life was too great. Yet when universities undertook, twenty-five years ago, to specialize knowledge, it was at first feared that knowledge would be subdivided into such small units as to get out of hand and to become insignificant.

In those days I remember seeing a foreign professor turn the pages of a catalog of a great American university. When he discovered a list of forty courses in economics, he exclaimed, "Nonsense!" What really happened was that universities were responding to the tendency to specialize in all branches of business and in other spheres of activity. Higher learning was not hurt in the process. It became wieldy and for the first time was in a position to demonstrate to the general public its applicability to the solution of contemporary problems.

The psychological tests engineered during the World War by leading scholars were of a very different order from the business "efficiency" already referred to. In digging down into their specialties, university departments have discovered many new ways of combining knowledge. Chemistry and physics are working together

most fruitfully. Chemistry is uncovering new possibilities in medicine. Psychology is aiding the development of public hygiene, and so on.

A university today is a glorified factory. It is a mammoth corporation, dealing not in a single product, or group of products, but in the principles and products of all knowledge. It has added to its traditional strength because it has learned how to organize knowledge in such fashion that the fundamentals of the several fields can be brought to bear upon a given situation in almost



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Josiah Harman Penniman, president of the University of Pennsylvania. "There is today," says Dr. Penniman, "an much active cooperation between business and higher learning—whether in industry, in commerce or in banking—that one is amazed to discover how recent is its origin."



# How much do you value your business *peace of mind*?

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any field. That, in broad outline, is the picture as I see it. Universities have released the scientific spirit for use in business and in other affairs of life. It is a great service and one for which business, in particular, has shown gratitude. Men who have made their fortunes in business have created liberal foundations for the benefit of higher education.

The figures on this point are interesting and significant. In the last twenty years donations to American institutions of higher learning amounted to four times those received in all the years preceding. In the last five years alone, the total of such donations was fully \$125,000,000. Alumni, it is true, have

played the leading part in the financial rehabilitation which is going on. Yet something more than sentimental attachment was required to prompt such generosity. Their feeling is reflected in the outside public, which, exclusive of the foundations, contributed about one-third of this \$125,000,000.

How the growing needs of educational institutions, particularly those on private foundations, are to be met is a question which will probably take care of itself, once the public fully understands the character of the services that universities can render.

In particular, I foresee an increasing helpfulness on the part of higher learning to business. Competition in domestic and foreign

markets, the great part played by business in determining the position of the United States in the affairs of the world, the need of first-rate diplomacy in business itself, the necessity of educating public opinion as regards the fundamental principles of economics and sociology—these and other considerations show how important for the future is that union of culture and expertness which universities are striving to promote.

The problems of business have become the problems of universities, and many of them have been solved within academic walls.

In return, it is right that the problems of universities should be taken to heart by business.

## A Word to George E. Roberts

*The Chairman of the Pittsburgh Plate Glass Company adds a chapter to the discussion of foreign loans begun by him in September and answered by the Vice-President of the National City Bank in October.—The Editor*

**T**O THE Editor of NATION'S BUSINESS: I have read with great interest, and in large part with approval, the most excellent article which Mr. Roberts has written in reply to my article.

I can not agree with the anxiety with which he credits me concerning the probability or possibility of this country being embarrassed for any great length of time by imports from Europe. There are several good reasons why I feel very little concerned about this possibility, and I think this problem will take care of itself.

But, let us see. What was it that we started out to discuss? Wasn't it the question as to whether Germany could make the reparations payments, as to whether the Allies could pay us what they owe, and as to whether the loans we are now making, particularly in Europe, will be paid?

Has Mr. Roberts made it clear and certain that Germany can secure the foreign trade, and thereby the international exchange, necessary to meet the payments under the Dawes Plan? I think the reader will agree that he has not, and yet Germany is better equipped to meet these foreign obligations than any other continental European country. Has Mr. Roberts made it clear and certain that France, Italy, Belgium and the other Allies can secure the foreign trade and international exchange necessary to make the payments due the United States? I think the reader will agree that he has not.

This international exchange question is, after all, the crux of the whole problem of reparations and international payments, and Mr. Roberts has largely ignored it.

The difficulties surrounding the payment of reparations by Germany and the payment of the debts of our Allies are no different from those surrounding the payment of loans we are now making to these and other foreign countries, except in size—and our loans and other foreign investments are rapidly approaching an aggregate that will some day equal them. Repeated and constant renewal is the only outcome of most of this financing. Of course, this is profitable business to the bankers, who do not permanently hold these securities, but pass them on to their correspondents and the public—the oftener, the more profitable.

There is room for honest difference of opinion as to the relation of our tariff to the new international conditions that are rapidly being forced upon the United States, but, let us for a moment put this question aside and consider whether, in the long run, Europe

could pay her debts to us, even if we were to modify our tariff policy.

Mr. Roberts and everyone else is now convinced that there is no hope of payment (outside of Great Britain), except as payment is made in goods. Now, when you take a long-time view of the question, how much hope is there that Europe can pay in goods? A long-time view is necessary, inasmuch as the debt settlements are on a sixty-two year basis, and if the loans we are now making have to be renewed from time to time, we certainly must look ahead for fifty or one hundred years. How does this problem look?

I have no doubt that Europe could send us at the present time increased quantities of their products if we were ready to take the kind of products they have to send. For instance, France could no doubt ship us very large quantities of champagne and other wines, but an examination of the exports and imports of the European countries, both before and since the war, does not show a favorable balance of foreign trade that lends much hope of payment in goods. Most of them have had and still have adverse foreign trade balances. A few of them are breaking about even, as France did last year, which is better than she did before the war. I understand she is doing still better this year.

One or two of the minor countries have very small favorable balances. Russia had a favorable balance of trade before the war, but, she is out of the picture. However, with natural resources that are constantly diminishing and with a population that is constantly increasing, Europe's necessity for increased imports will probably grow faster than her capacity for exports. Therefore when a fifty- or one hundred-year view of the situation is taken, what hope is there that Europe can revolutionize her commerce over its past achievement in such a way as to liquidate obligations which can be paid only in goods?

If all the world were to go on to a free trade basis, it is difficult to forecast what the outcome would be, but I think it a fair assumption that on such a basis, Europe's chances on the whole of paying her debts would be improved. However, I see no tendency whatever toward the world at large adopting free trade. The tendency is all the other way.

England is practically the only country that makes any pretense of free trade, and yet, even in her case, it is largely pretense, because she not only has enacted a law imposing a 26 per cent import duty on imports from Germany, but her Safeguarding the

Industries Act definitely puts into the hands of the British Government the power to impose restrictions upon imports from any country if they threaten home markets. They do not call this protection, but it amounts to the same thing, and there is abundant evidence that there is a strong trend toward protection in Great Britain.

Mr. Roberts' presentation of the demoralized condition of Europe and the need of financial help is very strong and clear, and I know of no one who could do it so well, and practically everybody recognizes these conditions, but, since when have appeals of this kind been accepted as collateral at our banks?

The question now under consideration is not as to what Europe needs or wants, but, "Can she pay her debts?"

When a corporation goes to a bank to borrow money, the bank gives little concern to the need of the applicant. The bank's only inquiry is, "Can the applicant pay the loan when it becomes due?" The plea that the corporation is in a serious financial condition and confronted with a crisis, and that all of its employees are threatened with unemployment and perhaps with dire need of the necessities of life would be a matter of no concern to the bank.

If the applicant were not in position to give satisfactory security for the loan, the bank would turn a deaf ear to such a supplication. There is this difference, however, in the position of the bank. In the case of the corporation, the bank holds the loan, and is, therefore, lending its own money, whereas, these foreign loans are being resold to the public, and passing out of the bank's hands.

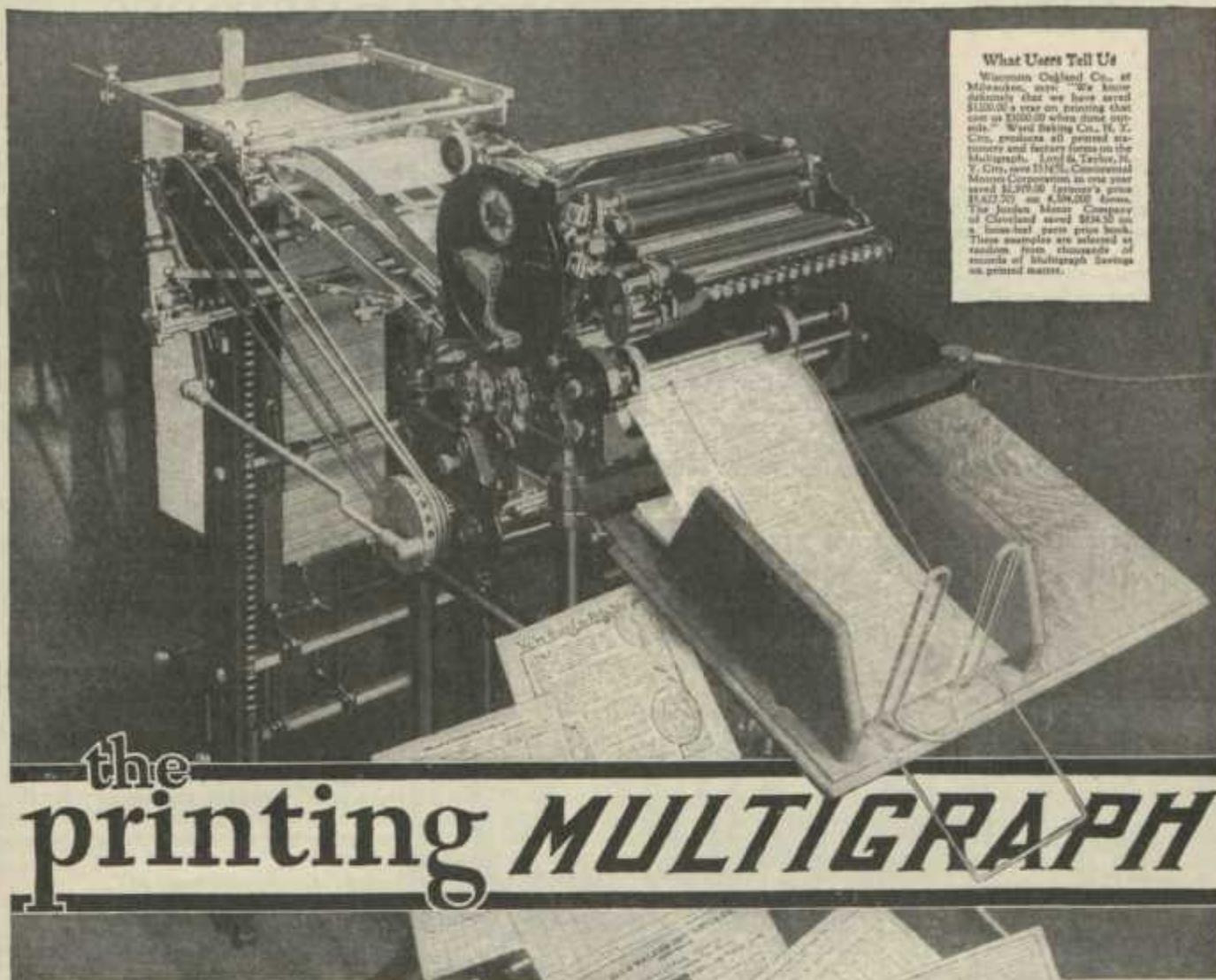
I think I can do no better than to quote the closing paragraph of my September article: "If, because we are rich and generous, it is our duty to continue to lend money abroad, let us do it with full recognition of the conditions and uncertainties of payment, rather than because we are great bankers or wise investors."

Yours sincerely,

W. L. CLAUDE.

P. S.—I wish Mr. Roberts would write an article on the "Needs of our Railroads" (I think a billion a year is conservative), so that they can keep in step with the growth of our country and its industries. I think the railroads offer better security for investors, besides insuring the future of our nation. If our people do not better support our railroads, it is only a question of a short time until we will again be strangled for lack of proper transportation facilities.—W. L. C.





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# First Aid to Injured Business

By Judge JOHN BARTON PAYNE

*Chairman of the Central Committee, American National-Red Cross*

**T**HE CHANGE from running a grocery business to owning a "baby shop" is startling enough to justify the statement that it took a catastrophe to work the change.

The change came about in the course of American Red Cross relief work in a community which had been visited by disaster.

A woman was the grocery-store owner. Following the calamity, which had affected an entire section of the country, she found that injuries she had received would prevent her from resuming her former business since she could not lift and handle heavy merchandise. A new type of business was essential.

After much looking about in her own com-

This case is a typical example of what has come to be known as business rehabilitation, a recent development in the work of disaster relief by the Red Cross, following such calamities as earthquakes, tornadoes and great fires.

The first goal of such restoration in all cases is to put the individual disaster victim and his family back on their own feet. It was found that the sufferer in many such cases, however, was dependent on a "one-man" business for his living, which had been wiped out. To make him independent of emergency help, it was necessary to give him back his business or find another one for him as in the case of the grocery owner. This procedure, accordingly, has been reduced to an exact process.

Following a single disaster, it became necessary to deal with businesses ranging from the corner shoe-shine stand to the general department store, including such widely varying establishments as barber shops, millinery stores, boiler works, beauty parlors, garages, hotels, plumbing shops, electric stores, studios, and professional offices.

On one occasion the owner of a badly damaged hotel, and the business woman who rented it, both needed help. Before the disaster the hotel was being rented to the woman operator on a long-term lease, and she had bought from the owner the furnishings for the hotel, on monthly instalments.

## Helped Her Buy New Hotel

**A**FTER the catastrophe, both parties found themselves unable, because of their losses and lack of resources, to go back into business. They had barely been making a living before.

The renter found herself with a loss of \$4,000 on the furniture, and owed as much more on it. The hotel owner in turn was left with a hotel damaged to an extent of \$5,000, the furniture badly damaged, and with his other properties all heavily mortgaged and no reserve. The problem was solved by finding a smaller hotel in another city for the woman renter, helping her buy a half interest in it, and seeing her started in this establishment. It



The picture at the left shows a section of Au Sable, New York, visited by fire one windy morning in May. Below is a view of the main business street of Lorain, Ohio, shortly after the recent tornado there. When disaster strikes, the Red Cross is ready not alone to bandage, feed and shelter the victims, but also to help put business back on a working basis.

munity to ascertain what new field might be open to her, and after studying the operations of businesses in other communities, she decided to establish a "baby shop" devoted to necessities for babies and small children.

An award from Red Cross relief funds enabled her to purchase equipment and stock sufficient to set up an attractive business, while other steps were taken with the help of the Red Cross to tide her over the period of readjustment.

She followed up her accounts receivable hanging over from the grocery business, and through the good offices of the Red Cross her creditors broke up her indebtedness to them into monthly notes, with and without interest, beginning some six months after the woman got actively started in her new business venture.







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Every night two caravans of Pierce-Arrows start on the New York-Philadelphia 105-mile run. The next morning a fresh crew of drivers take the wheels and start an all-day haul, delivering and picking up freight. That same night, before the engines have barely had time to cool, the Pierce-Arrow freighters start back.

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E. A. Von Minden, ran on schedule time, despite storms which held up the railroads.

So satisfactory have been the Pierce-Arrows that all other makes except one truck have been eliminated from the fleet.

It is performance of this kind that is responsible for the present huge demand for Pierce-Arrow trucks. Let us tell you what silent, powerful Pierce-Arrow trucks are doing in your line of business.

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turned out that after paying off the smaller instalments due in this new venture, she was making a net income more than three times that of the former hotel. It was a case of getting a business within her capacity.

In the meantime to get the owner of the first hotel out of difficulty meant complete refinancing, readjustment of mortgages, selling some property at a margin, and finding a new renter for the hotel who would be able to make it go. Cheap labor was obtained to repair the furnishings for it. The solution in this case worked out smoothly.

### To Assist Individual Victim

**I**N BUSINESS rehabilitation following disaster the prime consideration is the need of the owner, that is, whether or not his restoration to a normal basis depends on rebuilding his business for him. The factors studied are his age, health, number of dependents, resources or assets, liabilities, inventories of stock and equipment before and after the disaster, the gross and net monthly income for the past year, the overhead expense, the possibility of obtaining credit extensions, and finally, the plans of the business man himself.

In registering the cases needing such assistance, they are listed according to a well-defined system. For example, here is a grocery store owned by one man, whose family is dependent on it solely for income. Naturally this store will have preference in time and consideration over a confectionery store on which the owner is only partly dependent for his living. A grocery store is more essential to the life of a community than is a confectionery store.

Companies and corporations, involving a number of stockholders who are not wholly dependent on the business affected, get last place on the list. To date there have never been sufficient relief funds to consider this group. It should be remembered that relief funds are intended to assist the individual victim of calamity, and that restoring business is incidental to this prime object.

It has been found that, by following the classification of business indicated, the goodwill of business men has been secured and retained. It is the policy to consider every application in such contingencies, and to classify them according to this system.

### Work With Local Chambers

**A**N IMPORTANT part of the assistance rendered involves credit extension. Wholesalers, almost without exception, have been ready to cooperate to the fullest extent with their customers and the American Red Cross in this work. Bills are frequently voluntarily discounted, and credit extended or increased. Concessions from wholesalers and jobbers, reductions or eliminations of former obligations, setting forward payments for new equipment in starting over—in short, meeting the temporarily handicapped business man half-way, have made it possible in some cases to set the affected business up again without expending any relief funds at all.

Purchases of stock and equipment, con-

tracts for new construction and materials, and other business, are made when possible in the vicinity affected by the catastrophe, so as to help out both the immediate beneficiary of the relief award, and his fellow business man who may be having a hard time with depressed business due to the emergency.

Two interesting discoveries have been made by relief experts. One is that in checking up, in business communities that had suffered from some calamity and been assisted by Red Cross procedure, very rare exceptions of business failures were found. The other is that frequently a



A Red Cross emergency ambulance hurrying to a \$5,000,000 oil explosion in Brooklyn, New York. Left: Remnants of a wind-torn town presenting many business problems for the Red Cross to help untangle



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tent to which this new phase of relief has been applied is indicated by the Northern Ohio tornado of comparatively recent history, in which a total of 328 business cases were registered, of which number 113 received \$89,462.47 in relief. These cases were all classified according to need and dependence, and, as usual, prior consideration went to the "one-man" store or shop.

Under this head is a small cigar-and-shoe-store owner, who when a tornado had spent itself, found his business represented by one tottering wall. All else was lost. It was necessary to give him a new shop building and fit it out. The problem had many other angles, many of them personal, but the outcome was that the man was made at least as self-supporting as he was before disaster overtook him. The cooperation of a national business concern from whom he was purchasing equipment at the time of the destruction, in easing his obligations, and the fine spirit of fellow business men about him, materially contributed.

Many other such incidents could be cited, and in a gratifying majority of them is displayed a manifest willingness on the part of the more fortunate business men in the community to smooth the way as far as possible.

business boom follows in the wake of such disasters.

Undoubtedly contributing to the success of the revived concerns has been the valuable business "engineering" afforded by the Red Cross experts. This service has been welcomed in the past by the business men of the community and their organizations. The closest cooperation is sought by the Red Cross director in the field with the local chamber of commerce, retail merchants, credit bureaus, and similar bodies. The ex-





*Every Shipper who is hunting for Savings in the Cost of doing Business will read this Message*

## What is Crating Lumber?

**T**HREE items of cost go into every crate or box used by a manufacturer in shipping his goods:

- Lumber to make the crate.
- Labor to make the crate.
- Freight cost on the weight of the crate.

In this last item, *freight costs*, there is often a very substantial saving to be made by *more informed choice* of crating lumber.

Here are three instances that illustrate the point. They are taken from the note books of the Weyerhaeuser Crating Engineers. Hundreds of others could be cited. The names of these clients are not cited here but we shall be glad to furnish them on request.

Instance No. 1—Wood formerly used an excellent wood but too heavy for crating light shipments. Crates re-designed using Weyerhaeuser White Pine. Weight saving of 82 pounds on each unit shipped. Average freight rate, \$1.00 per hundred. Money saved by lighter and better crate, 82 cents per unit.

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lumber used—a total of \$2,700 saving per year.

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**N**OW please note: All of the savings noted above were due entirely to the lighter weight of the crating lumber selected in place of the lumber formerly used.

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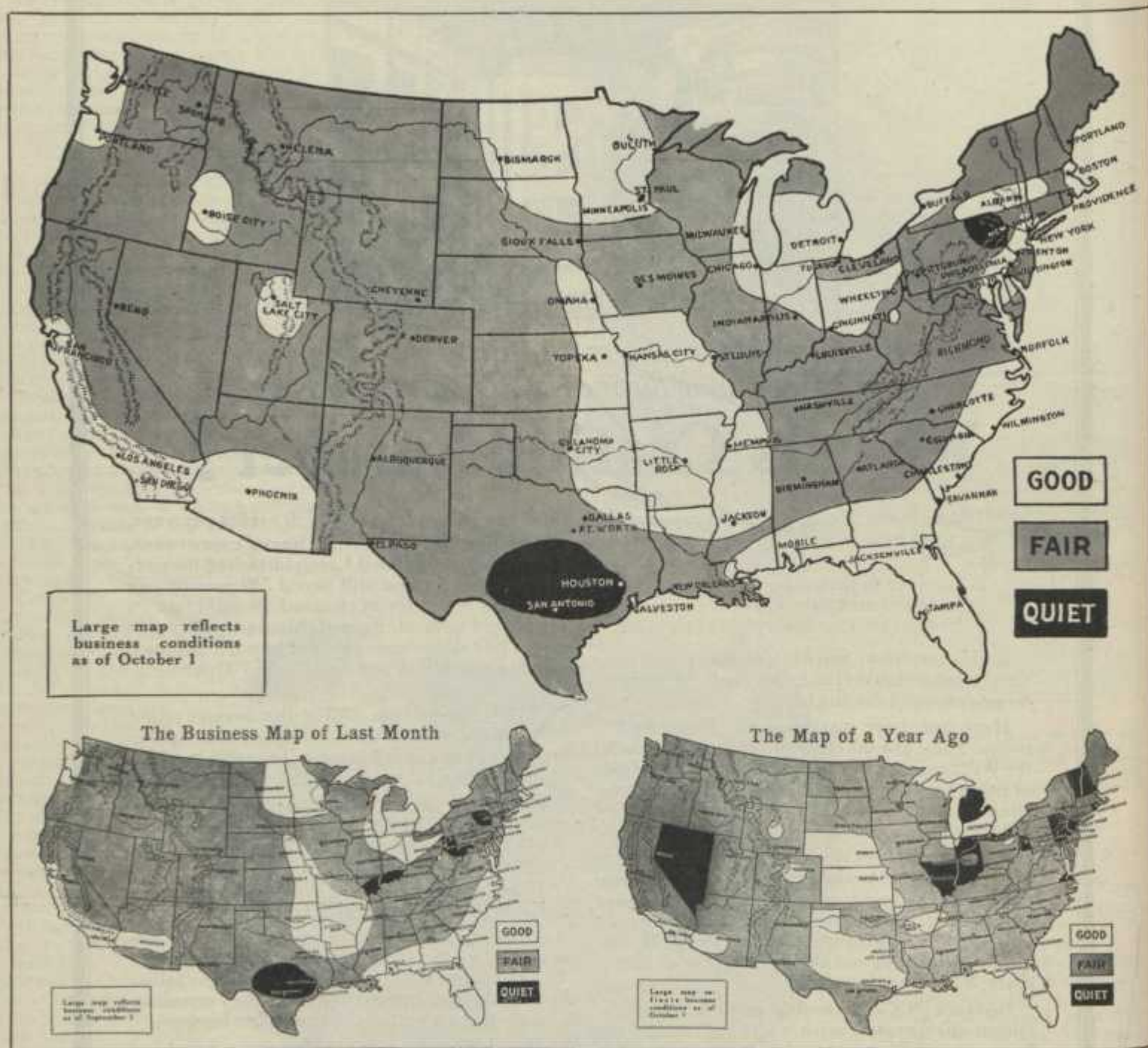
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# The Map of the Nation's Business



By **FRANK GREENE**

Managing Editor, "Bradstreet's"

**T**RADE and industry show more uniformly favorable returns than they have for some time past, though not entirely devoid of cross currents. Crop reports, now that the worst is known, are also favorable.

In trade the more confident buying noted in August was well maintained during September and the assertion is made in several lines that even a slight improvement in the matter of hand-to-mouth buying is noticeable. Colder weather stimulated retail buying in late September and early October.

In industry, the fact that September was a short month with one holiday, does not entirely obscure the real proportions of the rally in production which the volume of trade

buying since mid-year has necessitated.

In crops, after a temporary unsettlement of estimates due to high temperatures or drouth affecting cotton and corn, the situation turned somewhat for the better. An unfavorable side of the crop situation from the producers' standpoint, however, was that many important farm products declined in price, the grains, cotton and wool being notable in this respect. All fell well below the levels in September a year ago.

This tendency was corrected slightly in early October but not enough to make up the losses the American farmer suffered by the vagaries of the weather and especially the long spells of heat and drouth.

Of the industrial side of the situation it may be said that the employment situation has been about as good as in September a year ago and probably better than two years ago. This despite shut-downs such as those forced by cotton mills curtailing at the south, because of low water or, as in the case of the anthracite coal miners. Building, which has for several years been the wonder of all observers, has continued to defy pessimistic prediction and called for big, and in some cases, record-breaking production of construction materials.

It is doubtful if lumber profited so far as prices are concerned by this activity to the extent expected although volume of produc-



+

Collins and Pierson had just teed up at the fourth hole at Merrivale the other day when old Fogg went by. Pierson waved to him.

"Know Fogg?" Pierson asked.

"I never met him personally. Know of him, of course. Had a letter from him recently, in fact."

Collins came through with a nice two hundred and fifty yard drive.

"Good thing he didn't try to make his money by direct mail selling," he commented, slipping his driver back into the bag.

"Why?" asked Pierson, somewhat curiously. Collins had the reputation of being a wizard at selling by direct mail.

"His letters are no good. They look cheap and hasty. The paper he uses makes no impression at all—or what is worse, a negative one. I, for example, can't even remember whether it was the product of a responsible manufacturer. It doesn't make any difference whether a man sells his product by mail or not; his letters are going to affect his sales.

"Why in the world do people think that they can afford to run the risk of giving a cheap impression in their business correspondence? It's more than I can see! Every time I run across a man like Fogg I want to preach the gospel of fine business stationery to him."

"Do you have a text?" asked Pierson.

"Yes—Crane's Bond."



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**T**IMED by stop watches, the L. B. Speedac sets these new standards of speed in visible record filing:

In 4 seconds you can locate any business fact housed in the L. B. Speedac. The perfect and permanent visibility of every card makes this possible.

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In 10 seconds you can add or remove a card and card carrier. Visible file operators will tell you what this surprising speed-factor means in a day's work.

It is because the L. B. Speedac holds the speed records in each of these three important functions of any visible file that it cuts operating costs.

It spotlights instantly the facts you want to know about your business. Sales records are actually up-to-date—credit records accurate—stock records more dependable. The L. B. Speedac gives any executive a new, firm grasp of any phase of his business.

The new pictorial 24-page booklet No. 836, "Visible Files", portrays the fundamentals of the L. B. Speedac. Write for your copy or, better still, see an actual demonstration of the L. B. Speedac at the nearest of our 54 salesrooms.

Home Office: 230 Albany St., Cambridge, Mass. Salesrooms: in the 54 principal cities of the United States, England and France. Factories: Cambridge, Mass., New York, Chicago, Ill., N. Y., New Orleans, and London, England

## Library Bureau

Founded 1876

L. B. SPEEDAC • • • THE CHOICE OF AMERICAN BUSINESS

When writing to LIBRARY BUREAU please mention Nation's Business

tion, shipment and sales exceed September a year ago and for the first nine months of last year.

Bank clearings and debits totals are the heaviest ever recorded at this season, while failures and liabilities are on a descending scale.

Car loadings in the last week of September almost equalled the record-breaking total of the last week of August when feverish activity in mining and shipping of coal ushered in the anthracite miners strike. Current totals and those for the year to date are well in advance of those of any previous year although the short wheat crop still limits grain car loadings.

Export trade is large and decreases from a year ago in grain and other food shipments are apparently being more than made up for by enlarged exports of manufactured goods, notably those of metal, and particularly automobiles, machinery and agricultural implements.

Hence, the statement with which this article opens, to the effect that things generally look more uniformly favorable than they have for a long time past.

With all these things said and with the Map of the Nation's Business turning toward the sun the brightest face it has had in several years, it might not be inexpedient to note that there are now, as indeed there nearly always are, some features to be considered that may modify the present quite favorable situation.

### Speculation Seems Heavy

**F**OR ONE thing, the volume of speculation in the country, especially in securities, seems very heavy. Stock speculation on the New York Stock Exchange, not as all-embracing a barometer as it once was, shows 70 per cent more shares sold than a year ago and almost as much as in the entire year 1919, when speculation certainly was active.

Average prices of railway and industrial stocks have long since passed beyond the 1919 high points. On some days the market has looked "stale" although price averages still hold well up to the top. Real-estate speculation is also said to be large.

Prices of leading grains are below a year ago as already pointed out but although wheat, on a purely domestic supply basis shows the greatest reduction, the new winter wheat area being planted shows estimates in some states of as high as 20 per cent gain over a year ago.

Bad weather alone saved the American farmer from having to market this season a 200,000,000 surplus on a foreign competitive market. Food prices to the consumer as a rule are high with the large corn crop, pointing to a possible lowering of present high prices for hogs, one of the few bright spots to the eater of meat.

Productive industrial capacity in this country is so well in advance of domestic consumptive power that any material enlargement of buying is calculated to result in corresponding excess of supplies of all kinds of products and it seems hardly possible that building can keep up as it has.

Turning back to consideration of what the trade, industrial and crop developments have been of late, it is worth noting again that the volume of existing trade is very full. In August department-store sales gained by 6.4 per cent; chain-store sales by 13.5 per cent, and mail-order trade by 20.7 per cent over the like month last year. For September, department-store sales gained by 2.7 per cent, chain-store sales increased by 15 per cent, while mail-order trade exceeded a year ago for the month by 10.7 per cent. Comparisons are with enhanced totals a year ago when trade was



quite confident and current increases might therefore be expected to be more moderate than in recent earlier months.

Cooler weather arriving rather earlier than in recent years has tended to stimulate retail trade and thus help jobbing reorder business, but smaller neighborhood stores do not give as good reports as do the larger stores as regards business.

At wholesale it may be said in the absence of any readily obtainable statistical measures of current trade, that buying looks better than at any time since last winter and certainly better than a year ago, but as already intimated the basis of comparison with a year ago is changing.

In the industries, it is worth noting that with comparatively little aid from railroad buying of cars and rails, iron and steel orders are said to be banking up a little, total output as a whole is between 75 and 80 per cent of capacity and prices of finished steel have tended to stiffen following slight gains in pig iron but some weakness in scrap material.

Non-ferrous metals have been relatively strong but copper prices reflect big production by American-owned mines in South America.

Lumber output and buying dropped in the last week of September but were well above a year ago for the nine-month period. Southern lumber markets report prices better than do Pacific Coast mills. Building expenditures permitted for in September showed a gain over the like month a year ago of 31 per cent, whereas the gain for nine months over the 1924 aggregate, hitherto the peak, is 16.5 per cent.

In textile manufacturing, silk and silk mixtures still lead in activity but cotton buying picked up after the break of nearly two cents in raw cotton. Raw wool prices have hardened on reported better buying of worsted wools by manufacturers who are evidently getting orders for next spring's goods.

In noting this fact that silk manufacturing is active it might be well also to observe that production of rayon (artificial silk) is enormous. This industry, in quantity production at least, is only a dozen years old, but in 1924, the production of rayon and the imports of real raw silk were probably about equal in weight. Despite the big gain in ten years in the output of rayon, the October 1 reports of imports and mill takings of real silk were over the 1924 aggregate, hitherto the peak, year.

#### Clearings Forecast Record

**B**ANK clearings for September and the nine months of 1925 foreshadow new high records for the full calendar year. Nine months' clearings at 124 cities exceed those of the like period a year ago by 13.2 per cent and New York City's clearings are 14.9 per cent ahead of last year while the other cities combined show a gain of 10.9 per cent. A continuance of the 13 per cent gain shown in the grand total so far this year, would result in total clearings at 124 cities in excess of \$504,000,000, or \$58,000,000,000 above the peak year 1924.

The nine-month record of failures shows that failures and liabilities of failing traders alike continue to ebb. The failures have fallen below the like month of the year before for each month since February and the same is true of liabilities in every month this year except in June. September and the third quarter's failures were the smallest in number since 1920 and the year's total was slightly below 1924, though showing about the same excess over 1923. Liabilities for nine months are the smallest for any year since 1920.

Failures have been fewer than a year ago



Turbine Rooms of Super Power Stations Recently Completed  
in Boston and Los Angeles

**L**OW construction costs and high economy are characteristic of Stone & Webster power stations. This is one result of an experience covering the whole era of steam station development. With the completion of the stations shown above, Stone & Webster power construction work exceeds 2,250,000 horse power.

## STONE & WEBSTER INCORPORATED

DESIGN · BUILD  
OPERATE  
FINANCE

BOSTON, 147 Milk Street  
CHICAGO, First National Bank Bldg.  
SAN FRANCISCO, Holbrook Bldg.

NEW YORK, 120 Broadway  
PHILADELPHIA, Real Estate Trust Bldg.  
PITTSBURGH, Union Trust Bldg.



## The holders differ— but either stick gives the famous Williams lather



### DOUBLECAP

This new but already popular shaving stick gives you a firm, full-hand hold even when the stick is worn down until it is nothing but a thin wafer.



### HOLDER TOP

Like Doublecap, the stick is held by a threaded metal ring—no chance of its working loose. There are Reloads for both these Williams Shaving Sticks.

**W**HY should we make two forms of shaving sticks? Here's the answer: Our whole effort is to meet men's tastes and fancies.

Recently we brought out Williams Doublecap. This stick has a unique holder. Notice the ample space for your fingers. We get letters from enthusiasts saying that this stick is the best on earth.

But Williams Holder Top has just as many followers. This stick has a threaded metal band on the end which screws into a metal holder. There is *no chance of the soap working loose* in either the Holder Top or Doublecap Stick.

Whichever holder you select, remember this: With either stick you get real Williams *shaving lather*!

As every Williams user knows, this lather has never quite been equalled. It bulks up thick on the face from the very start. It holds moisture, packs it in against the beard so that quick and thorough softening takes place.

After the shave, your face feels soothed and cool, for Williams lather is even more gentle and mild than the finest complexion soap.

Ask your dealer to show you both of these Williams Shaving Sticks.

# Williams Shaving Sticks

*Aqua Vena* is our newest triumph—a scientific after-shaving preparation. A few drops keep the face like velvet all day. We will send a 150-drop test bottle free. Address Dept. 811, The J. B. Williams Co., Glastonbury, Conn. If you live in Canada, address The J. B. Williams Co., (Canada) Limited, St. Patrick Street, Montreal.

for nine months in New York City, the middle Atlantic, the northwestern, the southern, and the far western groups of states. Liabilities have been smaller than a year ago in every part of the country with the greatest falling off in the central west and the northwest where in 1924 bank suspensions were numerous and costly.

Despite the rather big swing downward in grain prices, a slight drop in livestock and a decrease in rubber quotations which affected the miscellaneous group of prices, the general price index showed a slight upward trend (two-fifths of 1 per cent), from September 1 to October 1, owing to the fact that ten other groups, provisions, textiles, fruits, metals, hides and leather, chemicals, coal and coke, oils, naval stores, and building materials advanced, the last four very slightly.

### Grains and Textiles Lower

**T**HE GENERAL level of all prices is slightly above the average of ten monthly index numbers registered so far this year; is 1.5 per cent above the January 1, 1925, and March 1, 1923, numbers; and is 33 per cent above the low of June 1, 1921, though 32 per cent below the high peak of February 1, 1920.

The really significant feature of the exhibit is that grains and textiles (largely cotton and wool) are well below a year ago, while livestock, fruits, provisions, metals, oils, naval stores, chemicals and miscellaneous products are all higher. This drop in leading farm products seems to have rather spoiled a lot of perfectly good ammunition intended to show how fortunately the farmer is situated after a year of only mediocre crops.

The fact is, however, that the corn crop has only begun to move, the farmers are said still to hold a lot of wheat and as cotton prices are now also below a year ago, it is really too early to fix on average prices which will actually represent the farmers' money returns from the 1925 crops.

Now that the fight between the bricklayers' and plasterers' unions has been ended, the strike of anthracite coal miners which began September 1, is the only considerable labor trouble existing. This strike, it will be recalled, was for higher wages and to force the employers to collect the union's dues for the miners' organization. Anthracite coal is mined in only six or seven counties of Pennsylvania. Soft coal is mined nearly everywhere between the Alleghenies and the Rockies. The union soft coal miners are bound by an agreement running from April 1, 1925, to April 1, 1927.

Soft coal production when pushed runs 11,000,000 tons or more a week. Anthracite production is slightly more than 2,000,000 tons per week.

Soft coal in abundance can be had from central and western Pennsylvania and West Virginia. With soft coal, crude oil and gas as possible substitute fuels, a tie-up of industry in the eastern states seems out of the question. Householders can burn soft coal if forced to do so.

In other words, anthracite coal is not now so absolute a necessity as it was when President Roosevelt threatened to put the army into the coal fields of eastern Pennsylvania, and forced the big mine operators to surrender to the anthracite coal miners' demands of that day.

Short of a sympathetic strike of union soft coal miners to aid the anthracite miners and the cutting off of the eastern states' supplies of fuel during a northern winter, it looks as if the anthracite coal miners could not win, with conditions as they are.



# A Revolutionary New Idea In Time Recorders!

*Now You Can Get a Single Unit Electric Time Recorder. Gives Users of One or a Few Recorders the Same Advantages that Big Firms Obtain from Large Electrically-Operated Systems*

**T**HAT modern electrically-operated Time Recorders give all-around better results than old-fashioned clock-driven Recorders is well known. That is why great institutions the country over—manufacturing plants, banks, hotels, and the like—are equipped with Stromberg Electrically-Operated Recorders.

But many firms—particularly users of *one* or a *few* Recorders—have felt that they could not afford an electrically-operated system. The comparatively high cost of the master clock, batteries, and wiring to meet Underwriters' requirements, made the cost more than they wanted to pay.

For years the Stromberg Electric Company has been working to overcome this difficulty—to enable users of *one* or a *few* Recorders to obtain identically the same advantages which big users get from their large electrically-operated systems.

**N**OW this difficulty has been overcome! For the Stromberg Electric Company—the recognized pioneers of Electrically-Operated Time Recorders—has developed a complete line of *Single Unit* Electric Recorders which are operated in the same way, and give identically the same advantages, as an elaborate electrically-operated system.

This *Single Unit* idea has been applied to a *complete line* of Time Recorders, of a wide range

of types, to cover every known requirement. No matter what your needs in Time Recorders, there is a Stromberg Single Unit Electric Recorder to suit you.

The complete line covers In-and-Out Payroll Recorders, Job-Time Recorders, Time Stamps, and the like. *Prices are approximately the same as those of clock-driven Recorders.*

So simple are Stromberg Single Unit Electric Recorders that an electrician or other expert is not required to install or operate them. They need much less attention than clock-driven Recorders.

**S**TROMBERG Single Unit Electric Recorders are automatic in operation and need no winding. They contain no clock mechanism whatsoever, are of sturdy construction, and last indefinitely without repairs. They do not have to be set level, and can be used under conditions of dust, dirt and vibration which render impossible the successful operation of clock-driven Recorders.

## Write!

We have some *unusual information* on the use of methods of Time Control to solve many trying problems in cost-cutting, efficient factory operation and profit-making. It is of great interest to forward-thinking executives. Write for it on your letterhead—no cost or obligation to you.

## STROMBERG ELECTRIC COMPANY

227 West Erie Street, Chicago, Ill.

*Manufacturers of Electrical Devices for Time-Recording, Time-Signaling,  
Time-Observing, Time-Measuring*

*Sales and Service Offices in All Principal Cities*



**Cantine's**  
**ASHOKAN**  
COATED PAPER



### DISCERNMENT

**T**HOSE who realize that selling is more a matter of suggestion than of argument, look well to the quality of paper used in their sales literature.

They can be sure, by designating a coated paper by Cantine, that every cent they spend for illustrations, professional typography and fine plate work will be fully evident in the impressiveness of the finished job.

The large number of national advertisers specifying Cantine papers today is significant.

Write for book of sample papers and name of jobber nearest you. Address: The Martin Cantine Company, Saugerties, New York, Dept. 255. Since 1888, producers of fine coated papers exclusively.

**Cantine's** **COATED PAPERS**

CANFOLD

ASHOKAN

ESOPUS

VELVETONE

LITHO C.I.S.

### Who are our 205,000 Subscribers? They are executives in 120,091 Corporations\*

In these corporations the magazine is being read by the following major executives:

Presidents.....	59,398
Vice-Presidents.....	23,282
Secretaries.....	22,464
Treasurers.....	10,890
Partners and Proprietors.....	12,523
Directors, Chairmen of Boards, Comptrollers, General Counselors, Superintendents and Engineers.....	8,781
General Managers.....	16,201
Department Managers (Branch—Purchasing—Sales —Export, Etc.).....	15,324
Major Executives.....	160,867
Other Executives.....	12,319
Total Executives.....	173,187
All other Subscriptions.....	31,813

If this audience represents a market for your products, we shall be glad to give you complete advertising details.

**NATION'S BUSINESS, Washington**

\*Figures based on a complete investigation of all subscribers in twelve cities

## Dead Letters Mailed by Business Men

**T**HE MAN I work for takes NATION'S BUSINESS and occasionally I read his copy of the magazine. In the September number I became interested in William McFee's article, "Smearing the Forests with Ink," and I immediately realized that the office I work in is one of the business houses Mr. McFee condemns.

Even my slim knowledge of paper manufacture shows me that it must take a healthy-sized spruce forest to supply the reams of fancy stationery we use for our circulars every year. It irritates me to think that men like Mr. McFee toss those good circulars into wastebaskets in their little country post-offices, and then write to magazines about it.

### Waste Is Distasteful to Me

**W**ASTE is just as distasteful to me as it is to Mr. McFee, but I don't think circulars which really reach business prospects can be considered a waste. Advertising is necessary; business couldn't exist without it. But the waste that I worry about is that represented by the big pile of undelivered letters which comes back to our office after every broadside is sent out.

We mail thousands of circulars, and we get hundreds back because of poor mailing lists. No one here in this office has ever bothered to compute the loss, but it is safe to say it runs into a good-sized sum.

Statistics are a nuisance but I wish the man I work for and a few other business men, who send out promotional letters every month or every week, would read last year's dead-letter-office report. There were 22,000,000 letters in 1924 which ended their careers in the dead-letter office. Twenty-five per cent of these were business circulars.

The dead-letter-office mail represents only a small per cent of the total of undelivered sales letters, because all mail carrying a return address is returned directly to the sender if undeliverable. This mail does not get into the dead-letter-office total, but it adds millions more to the number of painstakingly written, beautifully printed, and neatly addressed promotional letters which never reach a business prospect. Carelessness somewhere is to blame for it.

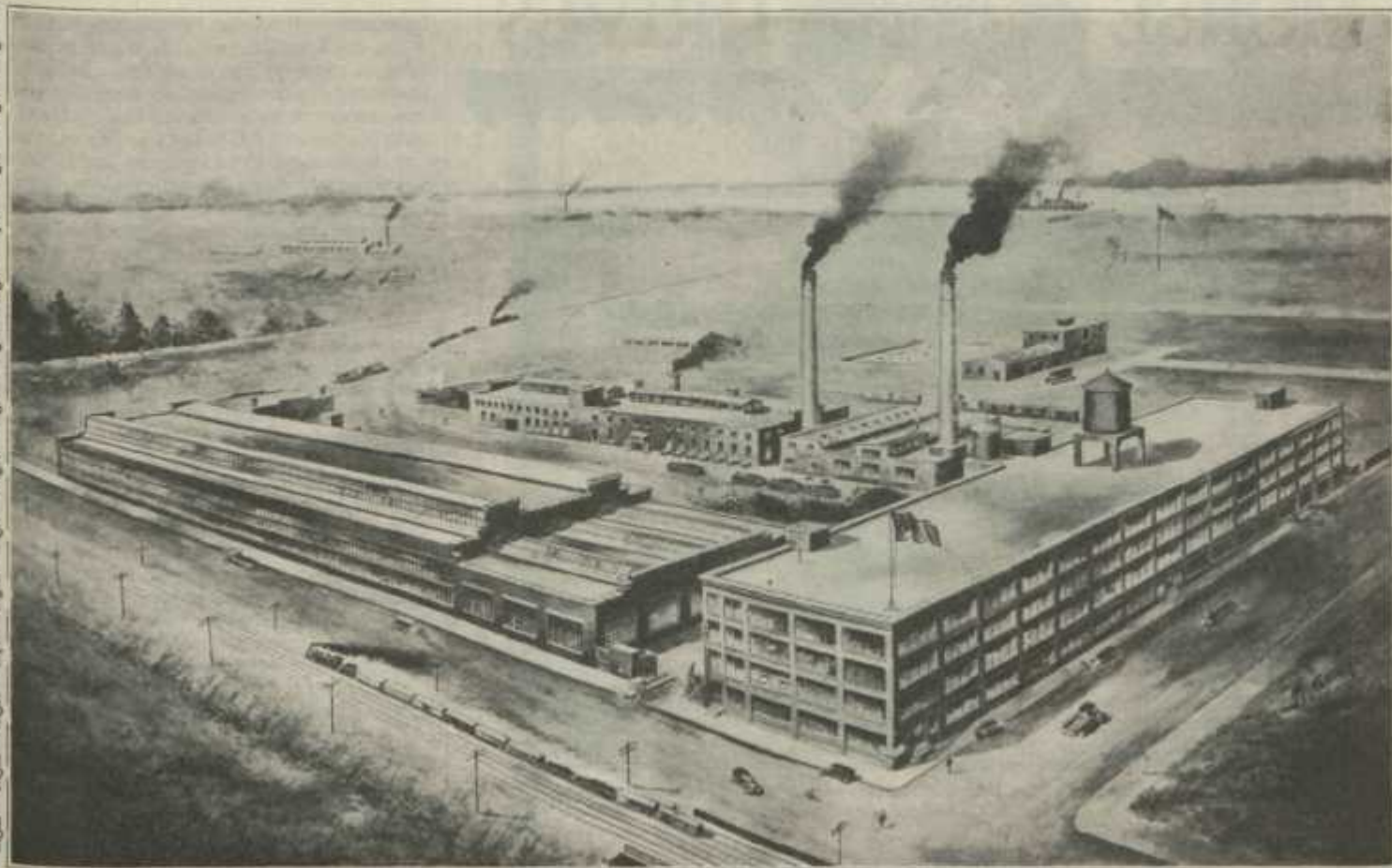
Officials in the Washington dead-letter office say that it is not at all uncommon for 1,500 out of 10,000 promotional letters sent out by a firm at one time to find their way to the dead-letter office. Often the percentage is much larger than this.

I'm no business economist but I'm able to figure out that the office which loses 1,500 out of a total of 10,000 circulars loses \$30 worth of stamps and stationery, and printing worth many times \$30, the time of the office clerks who get the matter out, and then—the biggest loss of all—the loss of all the returns which might have come in from those 1,500 letters.

A short time ago I read that the returns on mail promotional matter may always be estimated in exact ratio to the number of letters sent out. The loss of 1,500 letters makes a big hole in the number mailed, so it must make a big hole in the returns.

Many business men seem to ignore this phase of loss, serenely accepting a mailing list as a mailing list, with little regard as to whether it is accurate and up-to-date. The post-office, however, is so concerned about the matter that the Department offers to revise mailing lists for anyone, at a cost of 60 cents an hour to pay for the time of the clerks who handle the work. The stenographer gets





## Here's a Plant for You in Philadelphia at a Very Attractive Price

### Modern, Preferred Location and Ready for Occupancy

This factory is of modern, concrete and steel industrial construction, efficient layout; sprinklered. In the Frankford district (best labor vicinity) with Elevated transportation and three surface lines, single fare to all parts of the city. Housing facilities excellent.

Three Pennsylvania Railroad sidings; two squares from Pennsylvania Railroad Freight stations, fifteen minutes by motor from North Philadelphia Passenger station. Local delivery, 25 minutes from center of city.

### Seven Acres of Land; 152,000 Square Feet Buildings

**Main Building:** 4-story concrete, daylight construction, metal window sash, two 6,000-lb. elevators, 1 extra elevator shaft, 2 fire towers. Separate shaft for toilet facilities. This building is 82 x 243 ft., with 3 lines of columns and 20-ft. bays. Total floor area, about 81,000 square feet. Ceiling heights 13 ft. on the 3 upper floors and 10 ft. 6 in. on the lower floor. Siding at car level, with loading platform.

**Main Shop:** 107 x 274 ft., heavy steel construction, with two 10-ton Cleveland traveling cranes. 90% window surface, 40-ft. lantern roof, 25-ft. average clearance. Mezzanine can be swung in at little extra expense. The area of this building is about 30,000 square feet. Siding enters this structure with depressed track; room for two cars.

**Adjoining Shop:** Heavy steel construction, 70 x 107

ft., saw-tooth roof, about 20-ft. ceiling; area, 7,500 square feet.

**Mill Building:** 2-story and basement, 44 x 143 ft., slow-burning construction, 1 line of middle columns, 13-ft. ceilings, elevator, 19,000 square feet. Siding runs entire length of building.

**Power Plant:** Includes 2 Sterling boilers, installed 1918, 296 H. P. each; 1 Buckeye engine, 200 H. P., with Westinghouse generator, 150 K. W.; 1 Porter-Allen engine, 100 H. P., with Westinghouse generator, 75 K. W.; compressors, vacuum pumps, fire pumps, etc. Also Public Service current.

**Garage:** 58 x 33 ft.

**Stable:** Two stories, 24 x 33 ft.

**Additional Buildings:** 2 story, 34 x 74 ft.; one-story, 26 x 38 ft.; one-story, 48 x 32 ft.

**Sprinkler Pond:** 76 x 76 ft.; 30,000 gallon tank.

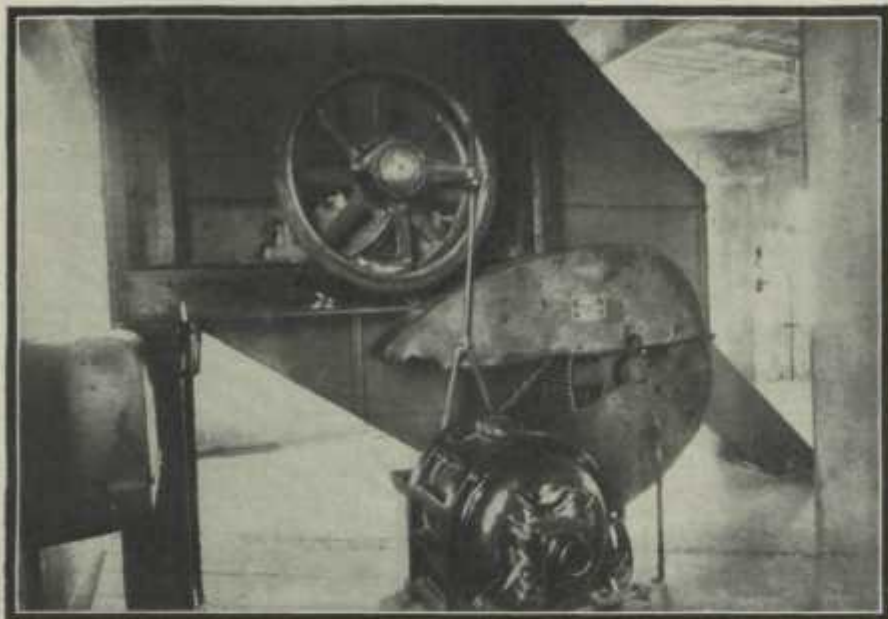
This plant is ready for immediate occupation. It is our intention to dispose of it now at a price and on terms that will prove attractive. Gladly give you fullest information and every opportunity for thorough inspection.

Real Estate Department  
**INTERNATIONAL BANK**  
807 Fifteenth Street  
Washington, D. C.

or

**CHESTER D. ROTTNER & CO.**  
1421 Chestnut Street  
Philadelphia





75 HP Morse Silent Chain. The first reduction of a double reduction drive to elevator leg. The ideal elevator drive

# A Power Saver for Power Users

In almost every industry, Morse Silent Chain Drives are widely used for power transmission and speed reduction.

98.6% Sustained Efficiency  
Positive Speed Ratio  
Quietness At All Speeds  
Ease of Application  
Minimum Maintenance Cost  
Minimum Space Required

Over 4,000,000 HP installed, one-quarter to 5,000 HP, 6,000 RPM to 250 RPM. Especially adapted to short centers.

The new Morse publication, No. 28, "Grain Handling," shows interesting applications. This or publications relating to other industries mailed on request. Write nearest office.

**Morse Chain Co., Ithaca, N. Y., U.S.A.**

*There is a Morse Engineer near you*

Atlanta, Ga. 705 Condit Bldg. Earl F. Scott & Co.	Dallas, Tex. 311 Ideal Bldg.	New York, N. Y. 30 Church Street
Baltimore, Md. 1400 Lexington Bldg.	Detroit, Mich. 7801 Central Avenue	Omaha, Neb. 727 W. O. W. Bldg. D. H. Drayner
Birmingham, Ala. Moore Handley Hardware Co.	Lebanon, Ky. 316 W. Main St. Ed. Morse Co.	Equipment Co.
Boston, Mass. 141 Milk Street	Minneapolis, Minn. 413 Third St. Strong-Scott	Philadelphia, Pa. 303 Peoples Bank Bldg.
Charlotte, N. C. 404 Commercial Bank Bldg.	St. Louis, Mo. 2127 Railway Exchange Bldg.	Pittsburgh, Pa. Westinghouse Bldg.
Chicago, Ill. 112 W. Adams Street	New Orleans, La. 221 Baronne St. A. M. Lockett	San Francisco, Cal. Menadock Bldg.
Cleveland, Ohio 421 Engineers Bldg.	Toronto, 2, Ont., Can. 30 Front St. E. Strong-Scott Mfg. Co.	St. Paul, Minn. 2127 Railway Exchange Bldg.
	Waukegan, Ill. Can. Duffin Street, Strong-Scott Mfg. Co.	

blamed for so many mistakes that it's refreshing to know that some errors are caused by executives—refreshing to the stenographer, I mean.

One such mailing mistake occurred in July, when a country firm producing choice home-preserved fruits sent out an expensive printed announcement to a selected list of 5,000 possible customers. Through an error, the return address of the firm gave the name of a picturesquely named country town near the farm where there is no post-office. The name of the post-office where the firm receives its mail was left off entirely, while the small village given in the return address is not even listed on the postal maps.

The fruit-preserving company will never know what sort of response those 5,000 circulars brought. The responses, addressed to the country village, undoubtedly found their way to the dead-letter office and in most cases were returned to the senders. In this instance, the firm's biggest loss will probably come because the possible customers will lose interest in a firm which the Post Office Department cannot even locate.

An attempt was made to have the Post Office Department make special provision for the forwarding of the letters, but this request could not be complied with. It would have necessitated giving special instructions to every worker in the four dead-letter offices in the United States, and would have slowed up the entire service.

## Mistake That Occurs Often

**A**NOTHER prize mistake—one that occurs frequently, the dead-letter office says—is that of getting mailing lists mixed, addressing several hundred letters intended for Pittsburgh bankers, to Philadelphia, for instance. The names and street addresses are unknown in Philadelphia, so the whole consignment arrives at the dead-letter office, if there is no return address on the envelope.

I've been in a business office long enough to know that revised mailing lists aren't always obtainable for every set of letters sent out, but I believe every cent spent in correcting mailing lists pays good dividends. Sometimes I think the man I work for could well afford to put a little less time into the wording of his sales letters, and think a little more about whether all of those letters will really reach business prospects.

Certainly no one should be more interested in the mails than the man who depends on the mails for his business. Yet my employer wouldn't bother to read beyond the title of a postal bulletin, unless it happened to be about rates. No closely printed postal bulletin telling him something of real value to his business could ever drag him away from the sporting page.

Postal bulletins occasionally call attention to the comfortably conceived habit of some firms of using only the firm name and the city every time their address is printed in advertisements and as a return on mailing matter. These business houses seem to think it adds to their prestige to be listed simply as Hard and Harder, New York City; or as Soft Soap and Co., Chicago. It costs the Post Office Department \$500 a day, in New York alone, to look up such incomplete addresses. The post-office calls it giving directory service.

The business man doesn't have to worry if Uncle Sam has an additional \$500 a day deficit in the post-office, but he might worry if he realized that mail is delayed when it must be held for directory service. Orders don't come in as quickly as they would if his complete street address were available to the customer.

Post-office reports are wordy affairs, bring-



ting with figures, but they are interesting. The postmaster general's report for last year showed that checks, drafts, and money orders found in dead letters during the year amounted to \$3,546,842. These weren't circulars or form letters; they were letters containing money. I wonder how long it would take an accountant to figure out how much real loss those misdirected checks and drafts involved?

The post-office doesn't cash them so the actual money is not lost, but there was delay in shipment of orders on account of the misdirection of these letters. There was undoubtedly some impairment of credit through delayed payments, interest was lost on the money while it was in transit, and in many cases customers were probably lost.

An outstanding example of mailing carelessness which came through the hands of the dead-letter office occurred when a check for \$165,000 was mailed by a railroad company to a southern lumber concern to pay for ties. The envelope was incompletely addressed and was lost. Interest on the account was running, the lumber company wanted its money, and the railroad knew the money had been sent. Finally the dead-letter office was authorized to locate the letter by telegraph and it was found in an eastern city, waiting to go through the regular dead-letter channels.

I hope Mr. McFee reads this, and I also hope some of the executives who blame their employees for all mailing mistakes read it, too. Mailing mistakes cause bigger losses than many of those executives realize, and sometimes the executives are somewhat responsible.

### The Rayon Boom

**R**AYON gleams in the trade journals, shines from the newspaper headlines, and makes a bright spot in international affairs:

GREAT BRITAIN PUTS DUTIES ON RAYON  
GERMANY BRINGS ARTIFICIAL SILK PLANT TO  
THE UNITED STATES  
FLORIDA, ROCKAWAY AND RAYON!

"The Florida real-estate boom and the more recent Rockaway skyrocket may pale into insignificance," suggests *Textile World*, "in comparison with the rayon boom."

The demand for rayon is great and its future is assured, but the journal fears inflation, and hints that "if all the prospectuses of proposed rayon-manufacturing companies which have been typed, mimeographed or printed during the last year were placed end to end, they probably would reach from Kalispell, Mont., to Elmira, N. Y."

German processes for producing artificial silk are new—different from any in use in this country. They are said to be changing methods of making these goods from the viscose process (the dissolving of wood pulp in a strong alkali and the treatment of the resulting solution with dilute caustic soda) and can produce fabrics out of rayon fiber without chemical treatment.

In Great Britain, Courtaulds, the greatest rayon producers in the world, are also the largest English silk weavers. When the duties (excise and import) were imposed by Mr. Churchill, Chancellor of the Exchequer, it was expected, reports *Silk*, that "the excise duty would advance prices as many expected Courtaulds to profiteer as a result of the advantage between excise and import taxes."

"This showed a complete lack of knowledge, because a study of the past would have shown that Courtaulds, like their American interests, the Viscose Company, have always stood for stable prices and opposed any efforts on the part of the merchants and others to profiteer at the expense of the users of rayon."

# FISK

## TRANSPORTATION CORD TIRES

### This Great New Transportation Tire Will Save You Thousands of Dollars

To those truck owners who have been looking for a more reliable and longer wearing tire, this announcement of the new Fisk Transportation "Fillerless" Cord will prove of great importance.

The chief feature of this tire is its extra strong, extra flexible and durable body of "Fillerless" cord fabric. This new cord fabric is produced in the Fisk factory under their own patented process. This improved method of construction eliminates cross threads or fillers, controls the spacing and tension of cords and uniformly surrounds the cords with rubber.

As a result, tire life is prolonged, and a more effective protection against tire interruptions is gained.

Mount Fisk Transportation "Fillerless" Cords on one of your trucks and you will soon discover that these new tires will mean much lower tire costs to you in the future

The Fisk Tire Company, Inc.

Chicopee Falls

Mass.



Time to Re-tire  
Get a FISK  
TRADE MARK REG.  
U. S. PAT. OFF.



**GF Allsteel**  
The Complete Line of Office Equipment

### Allsteel Desks

**A**N Allsteel desk is an inspiration—gives zest to the day's work and prestige to its owner. Richly finished in olive-green or mahogany with bronze trimmings and durable, green battleship linoleum top, they are the last word in beauty and convenience. Measured on the basis of cost per year, convenience, or prestige building appearance—the entire Allsteel line is a sound investment. The Allsteel mark is your guarantee of permanent satisfaction.

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The General Fireproofing Co.  
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Attach this coupon to your firm letterhead

The General Fireproofing Co. NB  
Youngstown, Ohio  
Please send me without obligation a copy of The GF Allsteel Desk Catalog.  
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Firm .....  
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## No Man's Land in Government

**N**OTWITHSTANDING the great wars that have been fought out in one way and another over their boundary lines, there are a surprising number of patches of no man's land to be found in almost any day's work for the Government. There is a tiny bit of it, labeled "personal services," for example, in Revised Statutes 3709.

Probably you do not know anything about R. S. 3709, so let us hasten to explain. R. S. 3709 authorizes minor executives of the Government to issue proposals for competitive bids to furnish whatever the Government may require in the way of "supplies and service, other than personal services."

And here are some of the things they advertise for, taken at random from a list: Abrasive paper, acid, aluminum ware, coin bags, rock salt, vacuum apparatus, vellum, x-ray supplies.

Not long ago, a proposal came from a government bureau, which read like this: "To translate Greek, Lithuanian, Czechoslovakian, Jugo-slavian, Rumanian, Serbian, Arabic, Hawaiian, Japanese, Magyar, Estonian, Bengalese, Finnish, Albanian, Latvian, Bulgarian, Chinese, and various Filipino dialects, from the foreign into the English and from English into foreign at such times as service may be required during the fiscal year ending June 30, 1926, at the rate of ..... per word."

Now, as the statute does not envisage, seemingly, "personal services" as a proper subject for competitive bidding, the imagination seizes upon the other horn of the dilemma and tries to determine whether the order is for "supplies" or "service." "Supplies" means typewriters, carbon paper, lead pencils—such things as that; while "service" might be thought of as building or transportation. But the business of organizing foreign tongues into English, and disorganizing the English language into languages that seem appropriate only for deportation, does not seem to fit into either category, and so the untrained imagination had to seek help.

### The Cool Official Takes a Crack

**A**N OFFICIAL of the Civil Service Commission was sitting coolly at his desk. It might be that this curious proposal belonged among the personnel, after the manner of Saul among the prophets, and so this cool official might as well have a crack at it.

To our suggestion that the business slightly resembled personal, not to say professional, service, the official replied, "Undoubtedly." Upon pointing out to him the proposal which placed it in the category of carpentry and drayage, he said, "I never heard of such a thing." And he admitted to having been sitting there for twelve years.

True, however, to the spirit and practice of all government bureaus, which try in their way to be very helpful, he passed us on to somebody else. The gist of everybody's information was that they had never heard of such a thing. Perhaps, they suggested, the Personnel Classification Board could throw some light on the status of translations. So then to the Personnel Board. The time was around noon, and only one lone girl sat at a desk, nibbling a cheerless cracker.

"Where is the Board?"

"Out at lunch."

"Could you answer a question about classification?"

"No. But if you want to wait—"

Outside somewhere you pick up a copy of the Classification Act and find translators in-

cluded in "Clerical, Administrative, and Fiscal Service," along with editors, photographers, typists, traffic clerks, and many other estimable people.

Then to a bureau of the Interior Department. "No," the Chief Clerk said, "competitive proposals are never issued for such services as that." You show him one. "Well, our accounting officers would never pass a voucher on a contract made like that."

But what did the Bureau of Babel have to say for itself on the issuance of the proposal in question? It spoke up well, and sounded reasonable: "The purpose of the requirement in the statute is twofold:

(1) To give all the people of the United States an opportunity of doing business with the Government;

(2) To secure supplies and services for the Government at the lowest possible price. . . . The services of a translator in general cannot be termed or classified as personal services to such an extent as to keep this bureau from complying with the statute above referred to. We can get our doctors that way, if we want to."

And one of the officials pointed out a case in which he claimed they had actually got their doctor that way.

### Squash Borers Like the Poor

**I**S THERE any way of getting a decision as to what constitutes "personal services" unless a government officer asks for it? This time you have followed your imagination into the Treasury Department.

"No," is the answer; "and they won't ask."

"Tell me this. What determines and defines personal services, character of the work or method of employment?"

"Character of work." Without a moment of hesitation or a wavering of the eyelash the answer came. And the official in question is a young man you would pick out among a thousand, at face value, for straight thinking and square dealing.

It sounded reasonable.

"Then translating, for example, has the same character as floor polish and dry goods? It can be advertised for in the same category?"

He thought so. "It is a little more like typewriting," he amplified. "The work is done according to a certain specification. The document to be translated is the specification."

"But typewriting, in the appropriation acts, is included under that phrase 'Personal services in the District of Columbia in accordance with The Classification Act of 1923.'"

"That is a little different," he said.

"The method of employment might be different."

There is no difficulty about a deadlocked colloquy that ends in a laugh. "Anyhow, that is the usual way," he said.

The Government does try hard to be helpful. Even state governments. A lady wrote to the Department of Agriculture of North Carolina, for example, to know what about her squash borers, which were carrying on in precisely the same fashion as in the days of Jonah's gourd.

The reply read: "The borer you will always have with you. I have them in my own garden."

So long as one may have such charming sympathy between the lines, what matters it if they can't answer our tiresome questions?



All the light of the G-E Novalux Highway Unit which otherwise would be diffused skyward or upon adjacent fields is concentrated upon the road. The lamp is a MAZDA gas-filled bulb, of 250 candle-power.



## High lights and Headlights

New Hampshire now uses both. Here is a view of the beautiful Daniel Webster Highway, near Nashua.



In the past two years, 35 States have put in one or more installations of G-E Highway Lighting Units—and every installation is a magnet for tourists and a safeguard for residents. General Electric Company engineers submit plans and estimates, without obligation.

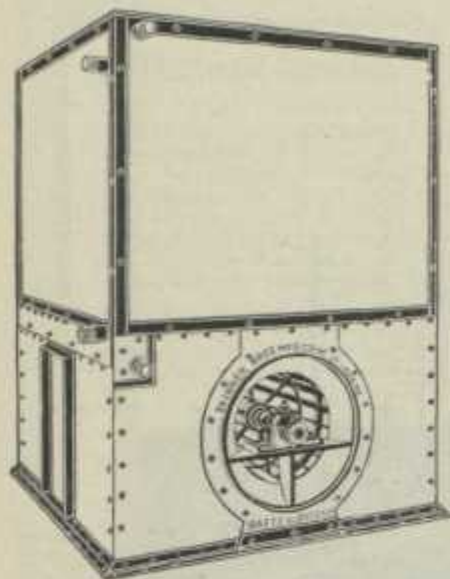
The G-E Highway Lighting Units, placed on topmasts, 40 feet above the road, furnish plenty of light without glare. You can motor with comfort or walk with safety at night on roads like this.

# GENERAL ELECTRIC



# Skinner Bros Steam Coil Heater

*Economic Force in  
the Nation's Industry*



## Costs Less and Saves Most

Economy with the assurance of satisfactory performance, always gives to Skinner Bros Steam Coil Heater, the preference when equipment is being considered for manufacturing enterprises of every size.

Skinner Heaters are individual compact units constructed in the floor type and the inverted type for overhead suspension. They are effective because of their scientific, simple construction. No outside pipes or ducts are used for air distribution. Fan operated by any power available. Use live or exhaust steam at high or low pressure. They are portable and can be moved from one place to another. Completely assembled before shipment. Easy to install, most economical to operate and the maintenance cost is exceptionally low. Performance is positively guaranteed when installed as directed by our engineers.

## Consult Our Engineers

Our staff of engineers without obligation will advise with Executives, Engineers, Superintendents and Managers concerning heating, ventilating and air conditioning systems for mills, factories, plants, foundries, shops and buildings of every size and type. See our Exhibit in the Fourth National Exposition of Power and Mechanical Engineering Grand Central Palace, New York, Nov. 30 to Dec. 5, 1925.

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SALES OFFICES AND BRANCHES  
IN ALL PRINCIPAL CITIES

# Letting Employees Buy the Bank

By F. R. KERMAN

Assistant Vice-President, Bank of Italy

**W**E OUGHT to get good service, now it's to your own interest."

Customers frequently made such remarks as this to employees of the Bank of Italy last winter. This was just after the bank's "employee ownership" plan had been announced, late in the fall of last year, and articles were appearing about it in the newspapers.

As a matter of fact no one really knew then just how the plan would work. It remained for the practical application to demonstrate its value. The first half year of its operation has been completed and there has been time to check up results. Six months, to be sure, is a comparatively short time, but it has been long enough for some definite figuring and some reasonable forecasting.

One question which only time could answer was: How would the employees themselves benefit from it? The plan called for setting aside 40 per cent of the bank's net earnings to finance it. The financial benefits to employees depended on the amount of profits.

The financial results of the plan at the end of the first half year of its operation can be summed up as follows: After the bank had added \$1,000,000 to its surplus it was able to set aside \$397,692 for the purchase of stock for its employees. To this amount, employees added out of their salaries \$133,767. Thus the bank had to purchase, in all, \$531,459 of stock. And this amount was purchased on a day agreed upon by the executive committee and the board of directors. The market price on this day was \$295 a share—not as low as on the day the plan went into effect, but much lower than its present value.

Take the case of a clerk who has been working for the bank two years and receives a salary of \$225 per month. Under the plan he subscribed to all the stock he was entitled to, contributing 12 per cent of his own salary. The net result in his case has been this: For \$162 which he contributed himself, he received stock worth \$489 at \$295 a share, the price at which it was purchased by the bank. His stock is now worth something like \$536.

## Bank Wins 15,000 Customers

**M**OREOVER, the bank itself and its stockholders have materially benefited. The bank has secured under its operation 15,000 new depositors, 2,000 more than the average semi-annual increase in the past. The volume of deposits has increased \$10,000,000. The dividend rate has been increased from 14 to 15 per cent, and \$1,000,000 has been added to surplus. When the plan went into effect the bank's stock was quoted at \$247; after six months it was around \$325.

The plan not only provides for the purchase of stock by the employees but it includes a scheme for rotation of officers whereby, every five years, subject to the approval of the directors, the president retires, becomes a member of the board, and a new president is named from among the higher officers. Then, all along the line, the officers move up one.

It was under this provision that A. P. Giannini, who was chiefly responsible for the plan, resigned as the president of the bank at the time of its adoption.

As announced then, under it, ultimately, a controlling interest in the capital stock... will be acquired by the employees. It is expected that eventually the board of directors will be composed entirely of past presidents,

men who have come up through the ranks as employees.

By the provisions for the practical operation of the plan, the bank sets aside 40 per cent of its net profits at the end of each six months' period, and to this amount are added sums contributed by the employees out of their salaries. The total is then used to purchase Bank of Italy stock. Each employee is entitled to such portion of the sum contributed by the bank as his own contribution bears to the amount contributed by all employees.

The employee's contribution is not in every case wholly from salary. The plan has been quite closely hinged to various other employee benefit plans which were previously in effect. One of these is called the Extra Compensation Plan. It provides for a minimum of 5 per cent addition to an employee's salary after his first full year of service, and 1 per cent increase thereafter up to a maximum of 10 per cent. This applies only to employees receiving \$6,000 a year or less.

## Clerk Makes 6 Per Cent More

**T**HUS, in the case of the clerk that has been mentioned, his extra compensation amounted to 6 per cent. And as extra compensation he was credited with \$81 worth of stock, purchased at \$295 per share. This came out of the \$397,692 of stock that the bank bought with its own funds, and then he was entitled to another share in the proportion the total amount of both his contributions bore to what remained of the \$397,692, after extra compensation had been credited to all employees. Actually his total contributions amounted to \$243, of which \$162 came from his salary. And he secured in stock under the plan, as already stated, \$489. Had he been employed for 6 years, instead of only two years, and thereby entitled to the maximum allowance, 10 per cent, he would have received stock worth \$597, reckoned at \$295 a share.

The employee may not subscribe less than 3 per cent of his annual salary, nor more than 10 per cent plus 1 per cent for each year continuous employment. In no event may he subscribe more than 30 per cent.

Besides the extra compensation plan, based solely on length of service, there has previously been in force a means of providing additional compensation to employees who are getting \$2,400 or less a year and who have families to support. The stock-ownership plan is related to this, too. An employee coming under this classification is entitled to additional stock in proportion to the number of dependent children he has. And if he needs money, the executive committee and the board of directors are empowered to advance him a loan on his stock holdings.

It has been estimated that if a man forty-five years of age, who is receiving a salary of \$1,800 a year, avails himself of his maximum stock-buying privileges, he might at the age of sixty-five retire and continue to receive the equivalent of his salary for the rest of his years in stock dividends, and he would at the same time qualify for compensation under the bank's plan for pensioning old employees. This would work out proportionately for any employee receiving less than \$6,000 a year.

The plan provides definitely for the financial future of every one of the bank's employees, from the lowest to the highest. When





## THE COMEBACK

TO WIN back to success from the edge of failure requires foresight as well as courage. The man who will save his business in the face of disaster is the man who plans carefully for its future. Who safeguards the priceless records on which business is based.

He will protect inventories and invoices necessary to collect insurance. His accounts receivable

are collectable on the day after the fire. His correspondence, specifications, ledgers and receipts are ready to begin business anew.

The certified and measured record-protection of all Safe-Cabinet products is predetermined by the severest laboratory tests ever used in safe-making. Business records receive the same protection on the day of the fire as on the day the

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The results of exhaustive researches into fire danger, and accurate knowledge of the unrealized importance of business records is at your disposal through the Safe-Cabinet Man. His services are sought and used today by thousands of businesses, large and small. Telephone him today, or write to

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Gives protection  
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## Two Hundred Packers Rely Upon General Box Service

**M**EAT PACKERS must have a dependable source of supply of boxes and crates. Two hundred—from large to small—rely upon the twelve factories of General Box Company to keep them supplied.

They find definite, money-saving advantages in the Pioneer Boxes and Crates designed by General Box Engineers.

One packer, for instance, whose distribution is limited to one state, found that our service saves him \$9048.00 a year. In even a small business the saving possible through proper shipping methods may be quite worth while.

Just write that you want—without cost to you—a General Box Engineer to look over your shipping methods. He will present to you a written report on the improvements that can be made and the amount of money you will save. Let us send you, also, "General Box Service"—bulletins telling how these engineers have saved money for manufacturers in many industries.

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Factories—Bogalusa, La., Brooklyn, N. Y., Cincinnati, Ohio, Detroit, Mich., East St. Louis, Ill., Elmo, Mo., Kansas City, Mo., Louisville, Ky., Nashville, Tenn., New Orleans, La., Shabazz, Wis., Winchendon, Mass.

# GENERAL BOX SERVICE



ONE SERVICE FROM FORESTS

TO FINISHED PRODUCT

### What Pioneer Boxes Are

Pioneers are boxes or crates made of thin, tough lumber and strapped with three or more steel wires of great strength. The wires are stapled on. The staples are anchored.

The boxes (or crates) are made in many sizes and shapes and are delivered in flat folding form.

Pioneers are used by leading shippers in almost every industry.

Receivers like these containers because of the simplicity of opening and unpacking—and re-using.

A booklet "Incoming Shipments" covers the subject of proper boxing and crating from the receiver's point of view. Sent free, on request.

it was adopted just one exemption was made. The author, Mr. Giannini, was excluded from its benefits at his own request. Some developments already indicate that the plan gives incentive to greater effort. Every bank has a certain percentage of "shorts" and "overs," as they are called, overpayments and underpayments by its tellers. Since the Bank of Italy's employee-ownership plan has been in effect the percentage has been less than ever before; in other words, a new record of efficiency has been established.

One important qualification in the practical working out of the plan is that employees shall not actually own and control stock unless they have been with the bank twenty years. Up to ten years of continuous employment, the stock is held by a trustee appointed by the bank, and for ten years after that the trustee exercises the voting privilege on the stock. The trustee has the privilege within the second ten years of buying it back should the employee desire to dispose of it. If an employee leaves the bank, he is paid the market value of his stock. Dividends on the stock the employees obtain are to be paid in cash at the end of each quarter.

It is estimated that employees will own or hold in trusteeship a majority of the bank's stock within five or six years' time. This depends, naturally, on how things work out, to what extent the bank increases its capitalization, what the earnings are, and how many avail themselves of their full privileges. It is apparent that employees will not control the voting rights or the stock for some time.

### Draining Farm Profits

**I**NCREASE in the purchasing power of the farmer is a fair index of national prosperity. Business, by cooperation, can do much to increase this power, contends *The Iowa Homestead*, while, on the other hand, other factors often work to decrease it.

Two of these destructive factors are high taxes and high interest rates. "The business man who seeks prosperity in full measure must bear in mind that factors other than the price paid for crops enter into the farmer's purchasing power."

Some of the farmers had a big margin during the last year. *The Price Current-Grain Reporter* hears, through *St. Paul Pioneer Press*, that sales of automobiles out of the Twin Cities and covering the territory from eastern Wisconsin to the Rocky Mountains during the spring and summer were the greatest ever made in that territory and one distributor speaking for North Dakota reported April, 1925, sales to have exceeded those for the entire year 1924.

*The Commercial & Financial Chronicle* brings out similar testimony for farm prosperity: "An average cash balance of \$1,024, the margin of cash receipts over cash expenses, was returned to owner-operators in 1924 on 15,103 farms surveyed by the United States Department of Agriculture. In addition to this margin, says the Department, these farms increased inventories of crops, live stock, machinery and supplies \$181, making an average return of \$1,205 for the use of \$17,260 of capital and labor of the farmer and his family. These farms also produced food and fuel consumed on the farm estimated to be worth \$266 on the average. The Department, under the date of June 24, continues: "This is a somewhat better showing than in 1923, when a similar survey on 16,183 owner-operated farms averaged a cash balance of \$890, increased inventory of \$130, and produced food and fuel worth \$265 on capital amounting to \$17,490."



## Some Press Comments On U. S. Chamber

"No one," says the *Baltimore Sun*, "can accuse the U. S. Chamber of Commerce of a lack of thoroughness. It is now conducting

### Whose Merchant Marine

a series of hearings in the Rocky Mountain States, to be followed by others in the middle west, in an effort to bring the best judgment of those parts to bear upon the merchant marine problem. That puts it all over the ignorant British, who have never thought of asking the help of the English and Scotch farmers in boosting the British merchant marine out of its slump."

The *Boston Transcript* reprints the *Sun's* observations but under the heading: "It's Their Marine Also."

The deep and dark mystery surrounding Secretary Hoover and his activities has at last been penetrated by George T. Odell, who explains what it is in *The Nation*. Secretary Hoover, it appears, is a super-being—a "super-business man." He is hatching a conspiracy—

### Light on Super- Business

in which "propaganda and the United States Chamber of Commerce, the American Engineering Council, and various trade associations were the instruments at hand"—to enable business to do what it has hitherto been afraid to do because of the Department of Justice and Federal Trade Commission. "Moreover," Mr. Odell observes, "instead of having a free choice in the matter of quality and style we shall be bound to the narrowest possible limits of standardization under the scheme that is now being carried out." Mr. Odell concludes: "The consuming public may wake up some fine day and discover that it is in the grip of great price-fixing combinations that control every necessity of life and most of the luxuries as well. Certainly the Hoover plan will make such combinations feasible, and who shall say them nay?"

In *The Country Gentleman* Walter Burr proposes a series of State Business Conferences "in the interest of the big rural business of the states of the Union." He points out that 40,000,000 people are directly connected with the farming business in the United States and that more than 6,000,000 plants are being conducted for the production of foodstuffs and the raw materials for clothing. "The thing," says Mr. Burr, "ought to be done, and can be done. For the next few years our energies in public work should be expended in finding out the right sort of program to advance rural business and working to make the program effective."

"For such a state conference," he adds, "there can be secured men such as Secretary Hoover and Secretary Jardine, and representatives from the United States Chamber of Commerce and from the national offices of the big associations, including the farm organizations. Specialists in various lines can be placed on the program for discussions and instruction in rural business methods which will make for a new prosperity."

The *State News*, of Topeka, quotes another Kansas paper, *The Leader*, as saying: "There seems to be considerable debate as to whether this is President Coolidge's first or second term. While the unexpired term was accidental, we know his last was not. Ex-President Harding was scarcely cold in the grave



## Federal Supervision Safeguards This Standard Form of Investment Based on our fundamental industry—Agriculture

IN SETTING UP the Federal Land Bank System, Congress sought not only to meet the urgent needs of American Farmers for long-term land credit, but also to create a standard form of investment suitable for large and small, trained and untrained investors. Congress surrounded this new type of security with every safeguard which a century of experience could suggest and endowed it with extraordinary advantages.

## FEDERAL LAND BANK BONDS Safe—Marketable—Completely Tax-Exempt

Denominations: \$10,000, \$5,000, \$1,000, \$500, \$100 and \$40

These requirements safeguard the money of investors in Federal Land Bank Bonds:

Loans can be made only to those who actually cultivate or are about to cultivate the land mortgaged. This eliminates the land speculator.

Loans are limited to 50 per cent of the appraised value of the land plus 20 per cent of the insurable value of the permanent improvements.

Before borrowing from a Federal Land Bank, a farmer must seek membership in the local Farm Loan Association, made up of borrowing farmers who know him and his farm. No loan is granted until the land has been twice inspected, first by the Loan Committee of the local Association and then by Government appraisers, appointed by and responsible to the Federal Farm Loan Board.

The application must be approved in turn by the local Board of Directors, the Chief Appraiser of the Federal Land Bank and by the Executive Committee of the Bank officers.

Still further steps are requisite, before the Federal Land Bank can use the mortgage as the basis for an issue of Federal Land Bank Bonds.

The original application, the local loan committee's report and the Land Bank appraisers' reports are forwarded to the

Federal Farm Loan Board. Once more, all the documents are carefully analyzed before being finally approved. No individual or group of individuals along the line has any personal interest in making the loan.

The Government not only gives the twelve Land Banks the closest supervision, but through representation on the Boards of Directors participates in their management without, however, assuming financial obligation. Having provided all these safeguards, Congress proceeded to endow Federal Land Bank Bonds as "Instrumentalities of the Government of the United States" with complete exemption from "Federal, State, Municipal and local taxation". This exemption extends to the income from the Bonds.

These Bonds are eligible investments for all fiduciary and Trust funds under Federal administration. They are also acceptable at par as security for all public deposits including Postal Savings.

The confidence of the investing public is evidenced by the absorption of more than one billion dollars' worth of Federal Land Bank Bonds.

A block of Federal Land Bank Bonds will strengthen any diversified investment fund and often increase its net earning capacity.

### Federal Land Banks are located at

Springfield, Mass.  
New Orleans, La.  
Wichita, Kan.

St. Louis, Mo.  
Berkeley, Calif.  
Omaha, Nebr.

Louisville, Ky.  
St. Paul, Minn.  
Baltimore, Md.

Columbus, S. C.  
Houston, Texas  
Spokane, Wash.

Write today for Federal Farm Loan Board Circular No. 16 descriptive of these Bonds, addressing nearest Federal Land Bank or

Chas. E. Lobdell, Fiscal Agent

## FEDERAL LAND BANKS, Washington, D. C.







## PROGRESS in Seven League Boots

**R**EALIZING, in comparatively recent months, its exceptional geographic location and extraordinary natural advantages, Daytona Beach is now striding swiftly into the front rank of Florida cities.

Comprising the three formerly separate municipalities of the richly productive Halifax County—Daytona, Daytona Beach and Seabreeze—Daytona Beach now plans to transform the wide Halifax River into a great commercial harbor. It has voted a \$2,000,000 bond issue for a new paved highway direct to the West Coast. It is creating a beautiful city park to extend the mile length of its water-front, paralleling the world-famous bathing beach which gave the city its name. Seventy-one miles of city streets have been paved and 84 miles of sewers laid.

These, and many other notable improvements, private as

well as public, mark the tremendous progress of Daytona Beach.

DAYTONA BEACH has nearly quadrupled in population since 1920; has tripled its bank deposits in five years, and this year will more than double its last year's building operations.

These are facts which suggest to the man of business acumen a most promising field for his activities. And this is especially true when you realize how moderate are land prices in Daytona Beach today.

Come to Daytona Beach. Or write for information to

## DAYTONA BEACH FLORIDA

for booklet—(Daytona Beach Chamber of Commerce  
221 Chamber of Commerce Bldg.,  
Daytona, Florida.)

Gentlemen: Please send me a copy of  
your illustrated booklet.

Name

Address

when the National Chamber of Commerce commenced grooming Coolidge for President. And it can be truthfully said, they did their work well. . . . We assure you if the Chamber of Commerce believes that it is expedient to continue President Coolidge they will do it regardless of terms."

John A. Simpson, president of the Oklahoma Farmers' Union, delivered an address at Salina, Kans., to other farmers a short

### A Farmer's Viewpoint

time ago, in which he had something to say about various kinds of governments. "In every country," he observed, "there are two governments—the industrial and the political. Government is only organization. The industry that doesn't have organization doesn't have anything but anarchy. The Political always rests on the Industrial. The industry that is not organized does not have anything for the political to rest on."

"For example: You select this man to go to Congress. He goes to Washington. He is assigned to his seat. He discovers in a short time they are discussing a bill on the tariff question. There are some 200 pages of this tariff question. On page 89 it refers to certain tariff on manufactured articles. He doesn't just understand, so he makes a lot of question marks. His seat mate has been there about ten years. One day he says to him, 'Where can I find out about these things?' The seat mate says, 'You go down just across the street a little ways and you will find the U. S. Chamber of Commerce building and go to room 359.' He goes down and confers with them and gets what information he wants. The man you elected to Congress represents political government. That committee represents industrial government and the political rests on the industrial."

### Transfer of Departments Will Be An Asset to Industry

**T**HE Patent Office and the Bureau of Mines have been placed in the Department of Commerce under the executive direction of Secretary of Commerce Herbert Hoover. *Electrical World* refers to the transfers as "two very positive and hopeful steps in the reorganization of government departments," and looks for improvements as a result:

"In particular, it is to be hoped that the Patent Office will be able to expedite its routine procedure and retain its competent personnel, for it should be an asset and not a stumbling block to the rapid development of industry."

"The Bureau of Mines has done notable work in the past and under the new arrangement will be in a still better position to benefit industry. . . ."

"Waste in government should be eliminated as well as waste in business, and an auspicious start has been made."

Secretary Work, in recommending transfer of the Bureau of Mines, is quoted by *The Commercial & Financial Chronicle* as saying that the transfer "has been resolved upon as part of the program of better grouping of Federal functions, according to that major purpose, it being proposed to create in the Department of Commerce a division embracing activities of the Government scientific and economic research in aid to industry."

"The primary objects of such segregation are, of course, to secure economy in administration and more efficient relationship with the public."



THE NEW YORK TIMES, MONDAY, OCTOBER 5, 1925

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## LABOR FEDERATION MEETS

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# "LET WASHINGTON DO IT"

AN IOWA shoe dealer writes—"There ought to be a law to limit the styles of shoes."

As a people, we have come to expect the Federal Government to perform economic miracles. "Pass a law" has become the national panacea.

If we think the price of wheat is too low, we say to Washington—"Please raise the price of wheat." If we think the price of sugar is too high, we say to Washington—"Please lower the price of sugar."

We ask Washington to lower the freight rates and in the same breath request higher wages for railroad labor. We haven't yet thought of a glorious third law compelling the railroads at the same time to pay higher dividends—and to pay them oftener.

Aren't we asking too much of our legislators? They are not supermen.

The cynic says that the trouble with representative government is that it truly represents. It does truly represent—and therein lies its great strength.

But it can no more repeal economic law than it can repeal the laws of nature.

WASHINGTON is just a great cross-section of American citizenry—hard-working, honest, doing its best under a deluge of instruction from all of us, the burden of which is—"There ought to be a law . . ."

Last year 100,000 new laws were proposed in this land of the free, where already there are 1,000,000 on the statute books.

We have come to ask Congress to do everything from enacting a maternity bill to running a three-billion-dollar merchant marine.

We forget that our forefathers who created the greatest form of Government of all time did not design that political mechanism to operate business enterprises.

The checks and balances, designed to protect political liberty, by their very nature prevent efficient operation of business projects. As Herbert Hoover

puts it, "The Government lacks rapidity of decision." Which is proper. It can't cut corners. There must be debate. Even red tape. Business must make quick decisions.

Yet we go blithely ahead, asking Washington to enter new fields of business activity. We forget that every entry requires more laws, more officeholders, more expense, more taxes.

MORE important, every law which puts Government into business strikes at that which has made this Nation great—individual reward for individual effort.

Our national legislative mill will soon start grinding again. A large part of its grist, by far, will deal with business questions; your business and your neighbor's.

For this is an economic age—an age in which industry has become so interrelated that a law directed at one activity extends out and on, affecting a score of others in unlooked-for industries and localities.

AN IMPERATIVE need today is a better understanding of the growing relations between Government and business, and also a better appreciation of the dependence of every industry upon every other. NATION'S BUSINESS is a magazine devoted to this end. It is published in Washington by the largest business organization in the country, and is founded on the belief that anything which is not for the public good is not for the good of business.

That the value of NATION'S BUSINESS is recognized by American business men is attested by this publication's growth. The circulation of NATION'S BUSINESS one year ago was 160,890. Today it is 200,947.

# NATION'S BUSINESS



SEKEL THORPE, Editor

PUBLISHED MONTHLY AT WASHINGTON BY THE CHAMBER OF COMMERCE OF THE UNITED STATES

To our Readers:—  
This is the  
Sixth of a series  
of announcements  
about our Magazine.

It appeared in the—  
New York Times  
Chicago Daily News  
Cleveland Plain Dealer  
Kansas City Star  
Washington Star  
San Francisco Chronicle  
Detroit Free Press  
Philadelphia Public Ledger  
Milwaukee Journal  
and  
Seattle Times





## Where Ignorance Is Folly It Is Bliss to Be Wise

There is no bliss to that ignorance which prevents your knowing when the first onset of disease gets a hold on your system.

Like a spark, it may, if neglected, develop into the flame of chronic disease.

You should know. You should keep a check on your health condition. If you know you are healthy—knowledge is bliss.

Our service gives you this knowledge—keeps a periodical check on the state of your health, as revealed by urinalysis.

Have you read "The Span of Life?" If not, write for a copy today. We will send it to you free.

### National Bureau of Analysis

F. G. Soule, President and Founder  
N.B. 115 Republic Bldg., Chicago

National Bureau of Analysis,  
N.B. 115 Republic Bldg., Chicago

Gentlemen: Please send me a copy of "The Span of Life," without obligation.

Name.....

Address.....

## Making Weather Forecasts Pay

**T**HE WEATHER MAN is an honored and respected financial adviser. His services can actually be measured in dollars and cents by business men in all sorts of occupations.

The president of a real-estate company has his secretary phone for the predictions each morning and instructs his janitors of the apartment houses which he handles accordingly.

An ice-cream manufacturer uses the daily temperature predictions to govern the quantity of ice-cream he makes, and saves large sums by elimination of waste. Coal dealers follow the forecasts and get their splint, lump, egg, chestnut, pea, buckwheat and run-of-mine varieties on hand to be able to meet rush orders for a blizzard, thereby saving dollars for themselves and suffering for those whose bins might have been empty.

### Helps Landlord Save Money

**O**NE REAL-ESTATE man in Detroit recently wrote the Weather Bureau of the U. S. Department of Agriculture the following letter in expressing his appreciation for the free service furnished him by his local weather station:

We use this information in connection with heat costs in a building of very large ground area where the steam is supplied by another company. Knowing our occupancy in square feet, the mean temperature each morning, and the cost of steam determined from meters, we are enabled to work out a heat factor for the building based upon a unit of 10,000 square feet occupied and 1° difference of temperature inside and outside.

The big gain which we make by having this information is that we are enabled each morning to give the engineer in charge the amount of the heat factor for the day before, and he is continually attempting to reduce this factor, at the same time keeping the tenants comfortable. It keeps him on his toes as to wasting heat through overheating the building, having radiators on in unoccupied spaces or spaces where heat is not necessary, and other reasons.

Comparing results between this year and last year up to the week ending January 24, we have made an actual saving of over \$2,800 on a cost of \$8,430 for last year, in spite of the fact that our weekly occupancy has averaged 3,300 square feet per week more than last year and that the outside temperature has been approximately 3° colder. This year's cost has amounted to approximately 67 per cent of last year's cost, and we feel that it is entirely due to knowing daily what the costs are and being able to take advantage of this knowledge. Your service is a real one—reflected in our case, in dollars and cents, and we appreciate it.

Out in Iowa the Weather Man has become the staunch ally of many industries. One manager of a large macaroni and cracker factory in Davenport finds out each morning the relative humidity for the next day. If the Weather Man promises a dry day, he makes his arrangements to bake and pack ginger snaps and cookies because they will therefore absorb less moisture.

The manager of the Davenport high-school cafeteria gets the weather forecast each morning by telephone to determine the quantity of food she shall prepare for the day. If the weather is good, many of the 1,200 children in the school go home, and she is thereby saved expense.

Sportsmen in many parts of the country besiege the local stations near their camping grounds for forecasts in order to determine the time at which they will go duck-shooting.

This is particularly true at the stations along the Canadian border. Cold spells in Manitoba and Minnesota drive ducks southward over Iowa and Illinois and such forecasts send the hunters to the lakes of the latter states.

When the larvae of the Mediterranean moth get into a flour mill the manufacturer must shut up shop for several days while the insects are being gassed. But a miller at Williston, North Dakota, had a happy idea. He asked the local Weather Man to let him know when the temperature would drop below -20° for several hours.

When a sufficiently cold period was forecast, he drew his fires, protected his machinery, and opened the doors and windows over one night. He reported all the moths and most of the eggs were frozen, and it was unnecessary to repeat the process for two years. He was therefore saved the loss of operation of his mill for several days, as well as the expense of the chemical insecticides and the attendant process of fumigation.

Manufacturers of hard candies study the temperature records of a town over a period of several years before they build a factory, as certain atmospheres are too humid for the product to be uniformly successful. In some cases where manufacturers have not been wise enough to realize this danger, they have been forced to install machinery to dehumidify the air of the factory at an additional cost of \$10,000 or more.

At Fort Bliss, near El Paso, Texas, hay stacks are protected the year round from rain by tarpaulins thrown over them. In the spring of the year a great deal of damage was done to the tarpaulins by the heavy winds.

### How Minister Uses Forecasts

**O**NE ARMY officer consulted the Weather Man and saved the Government about \$5,000 annually. He found out that during February, March, April, and May there is never more than half an inch of rainfall, which, of course, wouldn't damage the hay a great deal. So he arranged to have the tarpaulins carefully folded up and put away during those very months when the winds would have done them the most damage.

One minister with modern ideas in Syracuse, N. Y., uses the weather predictions in an unusual manner. His church is always crowded on days when the weather is not good enough for golf or motoring or not stormy enough to keep people at home. So he gets the forecasts on Saturday and if the weather is his ally for a good congregation he does not bother to advertise.

If the weather is going to be wonderful so that he must compete with the lure of the out-of-doors or if so stormy that he must tempt people from their comfortable homes, he publishes special announcements of the sermon and attractive musical programs to get them to church.

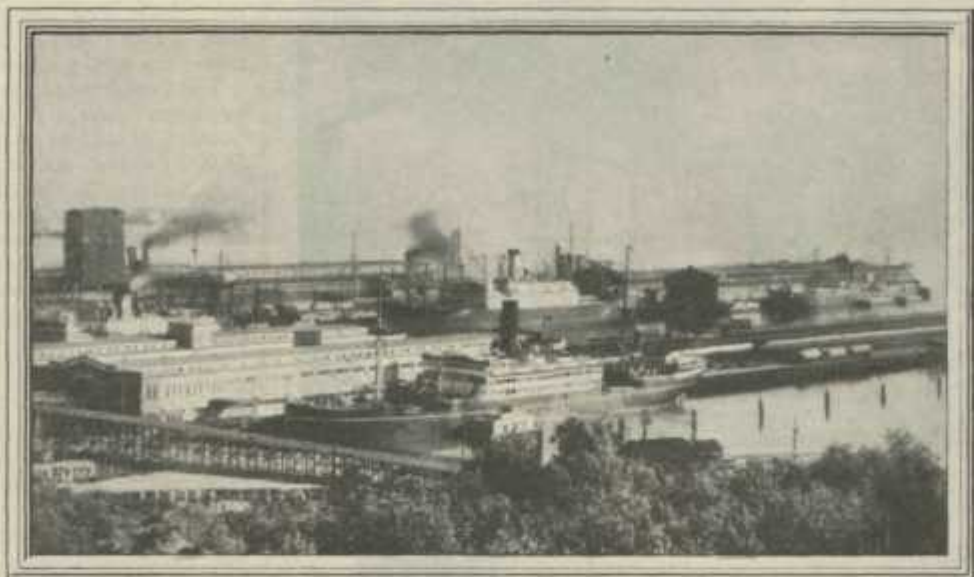
During the World War, the Santa Fe Railway had to use zinc chloride as a substitute for creosote to preserve its railroad ties. Zinc chloride is very satisfactory in dry regions, but leaches out where there is much humidity or rainfall.

The railroad found itself with 2,500,000 ties treated with zinc chloride at the close of the war, so with the use of a weather chart the ties were apportioned out for use in regions where the annual precipitation is small, and thereby great saving was effected.

In the state of North Carolina a company



# PACIFIC NORTHWEST



Shippers save from two to ten days and thousands of dollars by routing their trans-Pacific shipments through the great ports of Washington and Oregon.

## *The door to America's fastest growing market*

The spectacular increase in our Oriental trade is the most striking feature of our foreign commerce in recent years.

While Europe's share of our total exports has fallen off greatly since the war, our exports to Eastern Asia were five times greater in 1924 than before the war.

Asia now absorbs one-eighth of our exports—\$665,600,000 worth. She sends us one-fourth of our total imports—\$985,000,000 worth.

To the Pacific Northwest this rapid growth in Far East commerce is of particular significance.

For the ports of Washington and Oregon are the natural gateway to the Orient with its tremendous, almost unlimited, consuming market.

They are the nearest American ports to the Orient—from two to ten days

nearer. Shippers to and from the Orient save substantially in time, insurance and interest charges by using the Pacific Northwest route. They are able to meet better the requirements of Oriental buyers who almost invariably demand quick delivery of products they import.

The Pacific Northwest ports are also nearer by rail to the Atlantic seaboard. Their natural harbors and harbor facilities are unsurpassed.

With the "immutable law of the short haul" in their favor, the Pacific Northwest ports have established dominance in foreign trade on the Pacific Coast.

Yet, their present foreign commerce of half a billion dollars annually is but a foretaste of the future. As the curve of Oriental shipping sweeps steadily upwards, the ports of Washington and Oregon look westward, across a busy Pacific, to tremendous things beyond.

*The Chicago Burlington & Quincy R.R.  
The Northern Pacific Ry.  
The Great Northern Ry.*







A Complete Mathews Conveyor System Handling a Paper Product from Raw Material to Finished Stock.

## Buy "Foot-Years" not "Footage" of Conveyers

HAVING decided that a conveyer system would be a good thing for your plant your next query is, "What will it cost?"

When you have quotations in hand make your comparisons on the basis of reasonably expected service rather than a price-per-foot.

The price-per-foot standard is all right if the components of each foot of conveyer are given—strength of frame, bracing, number of rollers, etc., so that it is plainly understood what is being bought at "so-much-a-foot."

For instance, the number of rollers is a variable of the cost, and where "better rollers and more of them" is a fixed policy as in Mathews Conveyers, a higher price is to be expected on a given installation.

Before buying, get all the data on which to make a per-foot analysis. Then you can safely buy on a per-foot basis—you will then be in a position to buy "Foot-Years" of service.

**MATHEWS CONVEYER COMPANY**  
(Formerly Mathews Gravity Carrier Co.)  
ELLWOOD CITY, PA.

New York, Boston, Philadelphia, Buffalo, Pittsburgh, Cleveland, Detroit, Chicago, Atlanta, Anderson, S. C., New Orleans, Milwaukee, Minneapolis, St. Louis, Omaha, Denver, Salt Lake City, Los Angeles, San Francisco, Seattle. Canadian Factory: Port Hope, Ont.



### The Mathews Roller

Here is one end of a roller from a Mathews Gravity Conveyer.

Note the rounded end. Compare the neat, "mechanical" construction of this roller with other carriers of this type. The end of the tube is rounded down over the housing for the ball bearing, making it impossible for the housing to get loose or come out. The end of the axle is slotted to drop into the frame, serving as a brace, making it more rigid and eliminating cotter pins.

which supplies power and light to a number of cities and industries uses its steam plant only when water is not available for hydro-electric power. They watch the weather forecasts and rainfall reports, especially during periods of drought, and are thereby able to shut down their steam plants and draw on their water reserves for their power earlier than they would otherwise be able to do.

The president of the company reports that by using forecasts during the drought of October, 1921, he was able to save about \$1,000 for that one period alone.

In Canton, N. Y., the local weather forecasts are being used successfully in regulating the heat in an incubator having a capacity of 7,000 eggs. They have proved particularly valuable when high easterly winds are indicated, as such winds increase the difficulty of heating the incubator.

A canning company in Grand Junction, Colorado, consults the Weather Man toward the end of the season to find out whether the weather will be favorable to ripen the late tomatoes and orders his cans accordingly, in order not to have a supply left on his hands at the end of the season.

Wind velocities, average annual snowfall and annual maximum temperatures are used by some fire insurance companies for determining their rates for particular towns.

Owners of brickyards have been savers of shekels, too. They say that large sums of money have been saved by heeding warnings of coming temperatures which would freeze wet bricks before they are put in the kilns.

In many of our northern states, companies request their local weather bureaus to notify them when the temperature falls below a pre-determined minimum at which men should be required to work out of doors. A foreman could, of course, watch a thermometer and decide the matter, but the local station is more satisfactory as it is impartial.

### Hudson's Bay Company

THE HUDSON'S BAY COMPANY recently opened a new London warehouse and, at the same time, celebrated its two hundred and fifty-fifth birthday.

In 1670, King Charles II granted to Prince Rupert and to his party of "adventurers" the charter which brought the Company into being. It gave them sole right to trade with the native tribes on the shores of Hudson Bay, to build forts, establish laws and impose penalties, to maintain ships of war and "make peace and war with any prince or people not Christian."

They built the forts and enforced the laws and penalties of the wilderness. And they traded. Yearly, three or four stout British ships carried cheap British goods to this savage land for barter with the Indians. Profit accrued, though small at first, and the French claimed the territory.

Not until the Treaty of Utrecht did France relinquish all claim to the Hudson Bay territory—and not until Canada became a British possession, in 1763, did the Company's prosperity rest really secure from foreign aggression.

The Company took its place as a business without privilege in 1869, in return for an indemnity of £300,000, a 7,000,000-acre grant, and possession of its forts, "factories" or trading-posts. Its activities today are enormous, its influence wide-spread and great, and its department stores in Winnipeg, Vancouver and other large centers second to none in variety and quality of merchandise and in luxurious equipment.

# MATHEWS

## Conveyer Systems

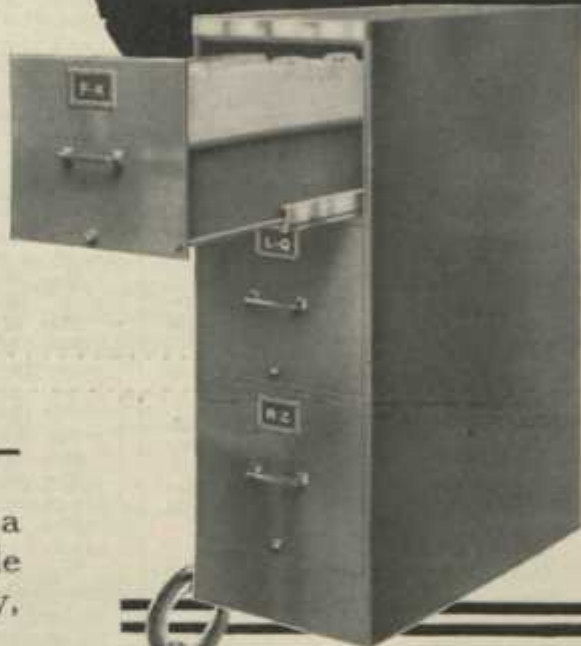
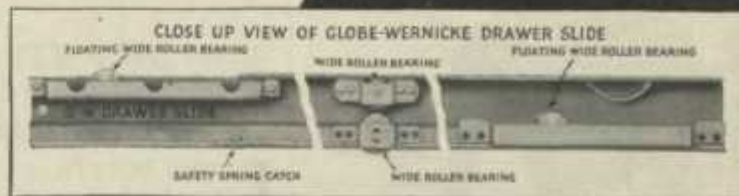
### Increase Plant Profits

*When writing to MATHEWS CONVEYER COMPANY please mention Nation's Business*





Business organizations in the towering Union Central Building, Cincinnati, use Globe-Wernicke office equipment to shorten their work and increase their efficiency



## 276,000 and still going—

276,000 trips out and back—20 a minute with a 75-pound load. And the Globe-Wernicke file drawer at the last count was still going, smoothly, easily.

The life of the correspondence file is in the drawer slide. Globe-Wernicke drawer slides are equipped with wide, free floating type rollers that distribute the load over a wide bearing surface. That's the secret of their wear-resistance and easy manipulation.

Globe-Wernicke linoleum-topped steel counter height correspondence files serve a double purpose. When grouped they do duty as files and counters or partitions, a two-fold service that saves time and office space.

Other Globe-Wernicke files use the same drawer slide.

Let your next files be permanent—Globe-Wernicke files.

For further particulars mail this coupon.

THE GLOBE-WERNICKE CO  
CINCINNATI, OHIO

# Globe-Wernicke

*When writing to THE GLOBE-WERNICKE CO, please mention Nation's Business*



Globe-Wernicke Celluloid angular tab guides linked with the efficiency of counter height files make filing and finding convenient and 100% visible. And the colored tabs in the Rainbow System of Selection spotlight the zone of inquiry—making hunted records leap into sight.

### MAIL THIS COUPON

Globe-Wernicke Co.  
Box 13  
Cincinnati, Ohio

Gentlemen: Please send me your Office Efficiency Handbook and information concerning Globe-Wernicke Counter Height Files using Celluloid tab guides and the Rainbow System of Selection.

Name.....  
Address.....  
City..... State.....



"The Sunshine Belt to the Orient"



## Orient and Round the World Sailings Every Saturday

Magnificent oil-burning President Liners depart from San Francisco every week for the Orient and Round the World.

They provide the most frequent and most luxurious Trans-Pacific service.

Calls are made at Honolulu, Yokohama, Kobe, Shanghai, Hong Kong, Manila, Singapore, Penang, Colombo, Suez, Port Said, Alexandria, Naples, Genoa, Marseilles, Boston, New York, Havana, Colon, Balboa and Los Angeles.

### Optional Stopovers

The regular sailings from all these 22 major world ports enable passengers to enjoy unique stopover privileges.

Remain in any country you choose between the arrival of your liner and the sailing of a subsequent Dollar liner.

Thus you may call on business connections entirely Round the World, having sufficient time for the necessary transactions and yet completing the entire trip quickly and with the most efficient expenditure of time.

### Rare Comfort

These palatial liners are luxurious and comfortable in every respect. All rooms are outside deck rooms—those with private baths predominate.

The public rooms are delightful, the decks are spacious and the cuisine is world-famous.

There are also fortnightly sailings for California, the Orient and Round the World from Boston and New York via Havana and Panama. A fortnightly service returning east-bound from the Orient as well.

For full information communicate with any ticket or tourist agent or with any of the United States or foreign offices of the

# DOLLAR STEAMSHIP LINE

604 Fifth Avenue, New York City

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Hugh MacKenzie, G. P. A.

Robert Dollar Building, Department M1711

San Francisco, California

## Coruscations from Canada

*Solons of the Canadian Parliament Make Allowance for  
Original Sin and a Love of Bells, But  
Not for Excess Railroads*

*They come from York and Kootenay,  
From Yukon and Glengarry,  
And down at Ottawa discuss  
The cat and the canary.*

IN THE SENATE of Canada, the Hon. Mr. Dandurand reported an amendment to a bill intended to insure kindness to animals, providing a penalty for any person who maltreats any "cattle, poultry, dog, domestic animal or bird," etc.

Suppose  
the Cat Eats the  
Canary

Hon. Sir James Lougheed wanted to know: "Why not include mankind in that?"

RIGHT HON. SIR GEORGE E. FOSTER: They are provided for.

HON. MR. BEAULIEU: I would like to ask the Minister whether a person who forgets to give his canary water or grain would be held responsible under that provision?

HON. W. B. ROSS: Five years in the penitentiary. He will be hanged.

HON. MR. McMEANS: What about white mice?

HON. MR. BEAULIEU: May I put a question to the Honorable Minister? If a person left his house without providing food or water for his cat or canary, would that person be responsible under this clause?

HON. MR. DANDURAND: Yes.

HON. W. B. ROSS: He would get five years in the penitentiary.

HON. MR. BELCOURT: Suppose the cat eats the canary?

HON. MR. BEAULIEU: . . . How far are you going with this amendment? You compel a man to keep in mind the duty of providing during his absence for any living thing he may have in his house, even the fleas. Where are you going to stop? An animal is an animal.

*And if the human woman heart  
Would smuggle in some fancies,  
They'll nab the frills and freeze the thrills  
That go with gambling chances.*

HON. SIR JAMES LOUGHEED: Honorable gentlemen, among the many effects of original sin in the human breast is the love of gambling. I will not put it down as a crime. It seems to be human nature, or the exercise of that resourcefulness which is implanted within all men and women, particularly women. If they can smuggle articles of fancy clothing from the neighboring republic into this country, even though such articles might be purchased at a much lower price in Canada, they will do it.

HON. MR. BELCOURT: It gives them a genuine thrill.

HON. SIR JAMES LOUGHEED: Yes, it is done with thrills and it is done with frills, and I am satisfied that no law will suppress smuggling. It is as old as the human race and it will continue as long as it is forbidden. . . . The draftsman of this bill had evidently tasted blood, and as he went on to prepare and develop the statute, the lust for blood seemed to increase. He worked himself up into a state of indignation, of frenzy, in which he loses all sense of human nature, human kindness and generosity, and fair play. Let me give a sample of the accumulation of penalties—of pyramiding of penalties—

HON. MR. LYNCH-STANTON: The only thing they don't do is to cut off his ears.

HON. SIR JAMES LOUGHEED: Fancy our wives and sweethearts, returning from the other side with \$200 worth of goods, being subject not only to this forfeiture and this summary con-

viction of an indictable offense, but possibly to ten years imprisonment. . . .

HON. W. B. ROSS: When returning from the United States I used to be asked the question whether or not I had anything to report to the customs and they might take my word for it or they might not. They might examine my bag. But now the question is: "Did you buy anything when you were in the United States?"

. . . A man who has gone to the United States may meet with some accident. He may get his clothes wet. He may have to buy a new suit of clothes and throw away the old ones. Would he have to pay duty on the clothes he was wearing to cover his nakedness? And if he bought a bottle of whisky and drank it before reaching the border, would he have to pay customs duty on that?

HON. MR. BELCOURT: Or on his meals?

HON. SIR JAMES LOUGHEED: Or forfeit the bottle?

HON. MR. ROSS: He would have to pass that up, I suppose.

*Now to our Sister of the Snows  
A carillon they're giving,  
While some go croaking of expense  
And take the joy from living.*

HON. J. K. KING (Kootenay), Minister of Public Works for Canada, was giving the House of Commons an itemized statement of expenditures for the tower of the new parliament building at Ottawa, when Sir Henry Drayton interrupted:

"At the present time, what possible justification is there for spending such an amount 'as \$63,930 in bells?'"

MR. KING: I think there is justification for it.

SIR HENRY DRAYTON: If my honorable friend thinks there is no use in my appeal at all, if regardless of our finances he thinks he is to have rings on his fingers and bells—well, we will not

go on with the rest. The sheet metal work has to be put in the tower but—

MR. COOTE: How many bells are to be put in the tower?

MR. KING: Fifty-three.

MR. KENNEDY (Glengarry): What is the size of the largest one?

MR. KING: Eight tons.

MR. COOTE: Who is going to ring the bells? Have you a man here who is qualified?

MR. KING: Not yet.

MR. GRAHAM: It depends on what Government is in.

SIR HENRY DRAYTON: What is the estimated cost of a bellringer to run the carillon?

MR. KING: About \$2,000.

SIR HENRY DRAYTON: Seriously, I think the Government should reconsider some of these items. They are purely gold paint and luxuries. Diamonds are a first-rate thing if you can afford them—

MR. BOYS: Perhaps a rearrangement of the seats might work an improvement. The Speaker's Chair might be placed in the middle of the Chamber and the seats arranged in a semi-circular manner, as they are in the Chamber of Deputies in Paris.

MR. KING: The estimated cost of that plan was over \$50,000, and I thought we had best back away from it, for the present, anyway.

SIR HENRY DRAYTON: Would not that be cheaper than the bells?

MR. KING: My honorable friend will be proud of those bells.

MR. KELLNER: I would suggest to the Minister



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For Bakelite possesses strength and assures the dependable insulation which makes speed with safety possible.

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## OAKLAND, CALIFORNIA

*Advantages of the West's Fastest-growing Industrial City—No. 1*



### "The Industrial City of the Pacific Coast"

"This is the industrial city of the Pacific Coast, Jim, and from up here on the City Hall you can get a splendid idea of the industrial, business, and residential sections.

"Half-way between Canada and Mexico, looking through the front door to the Orient; Oakland is the only logical location for your Pacific Coast plant.

"We investigated the entire coast before we located in Oakland. That was five years ago and our Pacific Coast business has trebled, due to the better service we give the trade, as against shipping from back east. We serve the major portion of the eleven western states quicker and cheaper from Oakland than is possible from any other point.

"In our business quick service is even more important than economy of service, and is constantly becoming more so. With the increasing tendency to keep stocks down for a more frequent turnover, dealers buy on short notice and want their orders delivered in a hurry. Because we can give this service from Oakland is one of the main reasons for our big increase

in volume during the past five years.

"Railroad lines come into Oakland on both eastern and western sides of the city.

"Have your engineer investigate Oakland thoroughly and carefully and while you are here get in touch with the Chevrolet Motor Company of California and the Durant Motor Company of California . . . they can both give you a lot of valuable information on what they have learned on manufacturing and distributing from Oakland. Fisher Bodies are located here and the Willys-Overland is building a plant.

"Come on, I want to show you something of Oakland's harbor facilities."

A detailed industrial survey of Oakland has just been completed, a copy of which will be mailed you on request.

*Write Industrial Department*

**CHAMBER OF COMMERCE**  
Oakland, California

*When writing to Oakland Chamber of Commerce please mention Nation's Business*

that he have this work done around the building when the House is not in session. Quite frequently there is in the House a speech which honorable Members feel it is impossible to listen to, and when they go to their rooms, very often they find under their window half a dozen men working.

MR. GRAHAM: That is nearly as bad as the speech.

MR. KELLNER: Sometimes it is worse.

*And though Miss Canada admits  
Our Uncle Sam a brother,  
It is no sign that she'll forget  
That England is her mother.*

SIR HENRY DRAYTON: . . . Now is it unreasonable for France to expect that if we appoint a Canadian ambassador to Washington that we should not also appoint a Canadian ambassador at Paris, and if we do it in that case—

**Whispers  
and More Than  
Whispers**

MR. MACKENZIE KING: . . . There is a great deal of difference between "minister" and "ambassador," and the term "ambassador" has never been used by the Government that I am aware of.

SIR HENRY DRAYTON: . . . That was the term that was used in the French press. "Minister" is the same thing. My honorable friend says that it is not.

MR. MACKENZIE KING: It is not the same thing—entirely different. Why do they have ministers and why do they in addition have ambassadors?

SIR HENRY DRAYTON: My right honorable friend is getting a little peevish.

MR. MACKENZIE KING: Not at all. The House of Commons is entitled to be dealt with in a rational way.

SIR HENRY DRAYTON: I can get peevish just as quickly as my right honorable friend, and I might say some things with perhaps a little more reason.

MR. MACKENZIE KING: Say them.

SIR HENRY DRAYTON: I do not know why we have this sudden attitude of bad temper on the part of the Prime Minister—

MR. MACKENZIE KING: The business we have at Washington is ten times the business transacted with France. . . .

SIR HENRY DRAYTON: My honorable friend will find no better work can be done, although the expense will be greater if he is a minister. But I do not think my honorable friend is really touching the larger side of the question . . . We have whispers and more whispers of what the final outcome of Canada is to be, whether she is to remain a member of the Empire, or to be annexed to the United States.

SOME HONORABLE MEMBERS: Oh! oh!

SIR HENRY DRAYTON: Some honorable gentlemen laugh. I am telling them that they will hear this being discussed. . . . I put this question to my right honorable friend: Is this a good time to raise this issue?

MR. MACKENZIE KING: My loyalty is not so thin that I could not trust a representative of Canada in any part of the world.

SIR HENRY DRAYTON: My honorable friend may think that is a first-rate answer, but I do not, and I do not know whether he means that reference to loyalty as a jibe. I do not know. I have not said a word about his loyalty.

*And now there's talk of how canals  
Both Fords and trains may menace,  
When Winnipeg a seaport is,  
Saskatchewan a Venice.*

MR. MACLEAN (York): I challenge the Prime Minister to come into my riding—I will go into his if he will invite me—and I challenge the Minister of Railways to go up on the public platform and suggest some real remedy and not talk about

**This Wild  
Frolic, This  
Crazy Carnival!**

"rate structure." To them "rate structure" is a fine term.

MR. ARCHAMBAULT: Did not my honorable



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Metropolitan Chicago comprises almost 50 per cent of the total population of Illinois—and an even greater proportion of its personal wealth and buying power.

Chicago is the richest, most compact and most economically served market in the middle west.

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You can sell very nearly all of financially competent Chicago by using The Chicago Daily News alone. An advertising campaign in Chicago that omitted The Daily News would be Hamlet played without Hamlet.

Advertisers who wish to succeed in this, one of the greatest and most compact markets in the world, should profit by experience and print their sales messages where they will be most effective; in the "medium of proved returns"—

### THE CHICAGO DAILY NEWS *First in Chicago*

\*Because it paid them, advertisers bought in the first 8 months of 1925 9,890,113 agate lines of display advertising in The Chicago Daily News. The next highest record for the same period was 8,011,741 lines.



# LYON STEEL SHELVING



## Orderly Storage on lasting equipment cuts warehouse cost

The warehouses of telephone companies supply many instances of the value of Lyon Steel Shelving. So many parts must be stored, many of them are so small, the calls for them are so frequent that the storage must be orderly, secure and accessible without delay.

In this installation, Lyon Steel Shelving has been utilized as a combination service counter and storage place. Back of the counter, back to back, stands row after row of Lyon Steel Shelving, carrying the myriad of telephone parts. The steel boxes shown are Lyon Products, also.

Exclusive features of design make Lyon the strongest, most rigid standard steel shelving made. Lyon Steel Shelving is easy to erect or to take apart. Parts are interchangeable and standardized. With shelves and dividers quickly adjustable, infinite variations are possible.

You can build from a small to a large installation with Lyon Steel Shelving. You can move it, if you wish. Try the Lyon way. You will have permanent, efficient steel storage equipment for your warehouse, stock or tool room if you do. Investigate now.



For Every Storage Need

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CLEVELAND 815 Superior Ave., East PHILADELPHIA 1519 Filbert St. DETROIT 149-159 W. Fort St.  
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#### Engineering Service

Lyon Engineers will help you plan your storage needs. You will get their recommendations—without cost or obligation to you—in blueprint form.

Write us direct, or to our nearest office, and have a definite plan to build to, whether or not you buy complete equipment at once.

friend vote for the purchase of the Canadian Northern?

MR. MACLEAN: If I did I am sorry, and I have repented.

MR. ARCHAMBAULT: Did not my honorable friend vote for the Grand Trunk Pacific purchase also?

MR. MACLEAN: I think so, yes; but I am sorry for it. Where is my honorable friend on the question? Let him tell me now where he is.

MR. ARCHAMBAULT: I voted against it.

MR. MACLEAN: Well, he is up a tree, all the same, because he is continuing the policy now. . . . We cannot unload this mess on the Board of Railway Commissioners. Parliament must clean it up. The Prime Minister and his colleagues have had that duty imposed upon them, and instead of discharging it they have the Minister of Railways with his two eggs in the new King Cafe going around serving the public and taking their orders for crow.

MR. ARCHAMBAULT: That is some bird.

MR. MACLEAN: . . . Now I want to tell the Minister of Railways how far water competition is likely to go, and I am going to quote his predecessor, John Haggart, with whom I sat in this House many a time discussing the question of water competition. He used to say to me, "Maclean, I have had engineers, the most eminent in the world, come to me and say they are ready to canalize the country from Lake Superior to the foot of the Rocky Mountains, and if you did that there would be hardly any traffic left for the railroads in this country."

. . . —What we want in these hard times is to induce the American Government to start at once, with our cooperation, the development of the St. Lawrence waterway, the creation of seaports on the lakes, and if necessary, even to canalize the country from Lake Superior to the foot of the Rocky Mountains. Why, John Haggart used to say, "You might see a seaport on Lake Winnipeg," and he had good reasons for saying that. I have only two things to say tonight, and I have only two things to say when I go to the country, and I hope to go. I will tell the people that this mad dance, this wild frolic, this crazy carnival that is going on, with two railways, two headquarters staffs, two sets of lawyers, two propaganda and publicity departments, two systems of express, two systems of telegraphs, and two immigration systems, duplication in every direction—all this must stop.

## The Old Lady of Threadneedle Street Gets New Gown

THEY are building large additions to the Bank of England, that famous institution whimsically nicknamed "the Old Lady of Threadneedle Street."

The Bank has the prestige of antiquity as well as of power. It was chartered in 1694, and housed in Mercers' Hall. From that position it had progressed, in so short a time as one year, to the more select atmosphere of "Grocers' Hall in the Poultry." Threadneedle Street was the choice of the next generation, and later the Bank had become so weighty an item in the national economy that moving the old lady again seemed impracticable.

It is curiously enclosed within a "blind" wall, constructed for defense at the time of the Gordon Riots of 1780. During the Chartist disturbances of 1848, two entrances also were closed up and, in addition to the detachment of night guards, "15,000 special constables in frock coats, silk hats and with drawn truncheons, perambulated round the Bank, while their admiring families, mostly in crinolines, lined up in Threadneedle Street and waved handkerchiefs."

In 1925, those who "perambulate around the Bank" are mainly tourists in Palm Beach suits, no hats, drawn sticks of chewing-gum, with more-or-less admiring families lined up in touring-cars. The Bank, guarding its secrets, lets the world go by and is little stirred by events: Constables, crinolines and cars—what are all these things to an old lady? Even her own new outfit is discounted and receives more interest from outsiders than from her.





## Cast iron and platinum —precious metals both!

If a pound of platinum is worth saving, why not a pound of scrap iron? This thought is the magic touchstone that makes even base metals precious at the Western Electric telephone factory.

But here modern alchemy is only one part of a highly organized battle against waste. Lost time, false motions in manufacturing, inefficient ways yield one by one.

Nor is this the work of just a few years. Your telephone today stands as a symbol of progress because generations of Western Electric experience have helped to make it so.

# Western Electric

SINCE 1869 MAKERS OF ELECTRICAL EQUIPMENT





## Springtime begins

the moment you board

# the California Limited

exclusively first-class Santa Fe "all the way"—the shortest route between Chicago and California—through a sunny scenic wonderland.

Fred Harvey through dining car—another exclusive feature.

Through Pullman via Grand Canyon National Park.

5 daily trains to California on The Santa Fe.

After California—Hawaii

mail this



W. J. Black, Passenger Traffic Manager  
Santa Fe System Lines  
1259 Railway Exchange, Chicago, Illinois  
Send me Santa Fe picture-folders of winter trip to California.



## Trade Paper Digest

Current Comment in the Business Press



"ARE WE drifting toward nationalization?" *The Coal Dealer* asks the question and vouchsafes no answer but an admonition to "look at England," which is cited as an example of what "private management of a basic industry" has done in the way of causing collapse, so that "the government has been compelled to step in to regulate profits and insure a living wage for the workers, and that this policy of government subsidy and regulation leads straight to labor's program of nationalization of natural resources."

Referring editorially to the possibility of nationalization of both anthracite and bituminous coal mines in the United States, *The Iron Age* makes the following statements: "It is well known that the United Mine Workers have been considering for a long time the idea of nationalizing the coal mines of the United States, both bituminous and anthracite. At the convention of this union in 1919 a committee was appointed to formulate a plan for this purpose. The main suggestion was the purchase of the nation's entire coal resources, developed and undeveloped, for 4.5 billion dollars, and the administration of them by a Federal commission of mines, actual operation to be put into the hands of a technical group."

The basis of such a plan is that coal is a public utility and should be administered as such. This is considered "a far-fetched idea," for coal mining, contends the journal, is "naturally" a competitive industry, while "municipal transportation, distribution of electric current, the use of the telephone, etc., are desirably made non-competitive." Even in respect to these last, we "have not yet gone beyond state regulation, stopping far short of nationalization."

The question needs expert—not casual—opinion, the journal admits, but ventures to touch upon some of the prominent points. For example: "If the coal mines of the country were purchased, interest and amortization charges would begin immediately and would always have to be paid, whereas now the owners do not get anything if the mines do not earn anything. The undeveloped coal lands would involve an immediate capitalization of reserves that can not be liquidated inside of 30 years and consequently have theoretically no present value (or so slight as to be negligible); but their holders would never hand them over on such a principle."

Supposing the mines were nationalized, however. What would be the result?

For answer the journal points to the postal service as uneconomical, administration of the railroads as "a colossal mess," and all government bureaus in every country as unable economically to conduct business.

But let us assume that a Federal administration of collieries could be conducted with the same intelligence as that of the United States Steel Corporation. How would the fundamental difficulties be solved?

"What would be done," the journal asks compassionately, "with the 200,000 superfluous bituminous miners?"

"What would be done with restrictive and interfering legislation by the several states?"

"What would be done about mines that are operated by industrial companies for their own supplies?"

"The proposal bristles with so many difficulties that we can readily understand why Mr. Lewis, with his superior intelligence, does not endorse it. The high command of organized labor has no illusions as to the Government in business; no more than we have."

*The Commonwealth*, a magazine of comment and criticism well outside the realm of business, quotes Mr. Lewis as follows: "Press accounts reviving a discussion of the theory of national-

ization of the coal industry do not originate with the mine workers; they are primarily concerned only with the proposition of securing a wage agreement that will permit the anthracite industry to resume operation. It is Mr. Hammond who proposes that the Republican majority in Congress shall depart from its policy and, through legislation, establish a semi-regulation of the industry."

The animus of these remarks, asserts the journal, is clear. "Mr. Lewis and those he represents obviously do not care for Federal control, and are confident of their ability to battle ahead for what they desire. If in England the labor program generally calls for nationalization of the mines, it is because the British Labor Party is politically powerful, and has tended more and more to press its demands through the extension of state power and control. There is no great apparent desire on the part of American workers to develop an extra-economic organization. The sole guarantee of lasting peace in the coal fields, therefore, unless we care to face the prospect of economic exhaustion on one side or the other, is the gradual development of cooperation—a movement only in its infancy among us, but destined to grow."

Meanwhile, the public takes the anthracite strike calmly, and is using substitutes—bituminous coal, coke, and oil. "Never, perhaps," observes *The Commercial & Financial Chronicle*, "has a shutdown been marked by less evidence of panic or even nervousness on the part of the public than the present. Anthracite consumers, for one thing, have a larger proportion of their winter's needs on hand than usual at this time, and, basing their opinion on past experiences, are confident that an agreement will be brought about—through government intervention, if necessary—before the danger point is reached."

The demand for bituminous has increased, and also for Connellsville coke. According to *The Oil and Gas Journal*, New England is "declaring its independence of anthracite" as seen in "the increase in domestic oil business recently. A big gain in the use of domestic oil burners in this district during the coming winter is forecast by the constantly increasing number of permits for such burners being filed throughout the district and particularly in the suburban territory around the various large New England cities."

## Russia Economically Better

### But Long Term Credits Risky

STORIES about Russia selling to Italy, France, Germany, Holland and the United Kingdom, are "worth investigating to determine facts," says *Modern Miller*. "It was expected that Russia would have 60,000,000 bushels of wheat to export . . . but that the Russian surplus will be used as bearish features and possibly exaggerated is the real fact to determine."

From a "reliable British source," the journal received the following in regard to wheat:

"Germany and Holland have bought 150,000 tons of Russian wheat for September-October delivery. Italy also has been a very large buyer and the United Kingdom has bought several cargoes at the price mentioned above. . . . It is estimated that during the coming season Russia may be in the position to export 150,000,000 bushels of wheat, and in a general survey of the situation I do not believe European buyers would be largely interested in North American quotations except for certain grades to fill special milling requirements. Germany is also selling wheat. . . . It is, however, very evident that





## New Ways—New Methods—New Customs New Business Opportunities

**C**USTOMS and standards of living have changed more in the past twenty years than they changed in the previous two centuries and the end is not yet.

To observe how profoundly these changes have influenced the development of business, we have only to consider some of the more outstanding evidences such as the growth of the automotive industry—moving pictures—radio—and the almost universal use of electrical energy and appliances.

Less spectacular but no less important from the standpoint of business development are the changes going on in the current of demand in scores of other lines.

In building construction, for example, the use of metal lath has almost tripled in the past four years.

Doors made of sheet steel with beautiful finishes are being used to a constantly increasing extent

for many types of building where steel doors were previously chiefly used as fire stops in commercial buildings.

In merchandise lines, kitchen tables, stoves, cabinets and refrigerators made wholly or in large part from enameled sheet steel are widely demanded, while the market for steel furniture both for home and office use is growing with amazing speed.

These are merely a few examples which show how great new markets are being created for things which are "different" and better. Others are indicated in our booklet "The Service of Sheet Steel to the Public" of which we will gladly send copy on request.

Fortunate indeed is the merchant or manufacturer who has the vision to steer his business ship into these strong currents of growing demand.

**SHEET STEEL**  
TRADE EXTENSION COMMITTEE  
OLIVER BUILDING  
PITTSBURGH PENNSYLVANIA





AT DIZZY HEIGHTS . . . . .

## he spreads a coat of red-lead

**D**AILED he dangles in mid-air. The steel

skeleton of a building that is to be, or a network of bridge cables, is his only foothold. Where he works, breezes become whistling gales striving to tear him from his precarious perch. Below him move many tiny dots, skelting about like so many ants, all unaware of one of their kind who works at dizzy heights just to spread a thin red film of lead paint.

"Why," you ask, "must he do it?" Because upon the thoroughness with which he spreads this red film—upon its ability to protect the surface it covers—rest, in no small measure, the safety of the structure and the lives of thousands.

### Protecting the strongest steel

The best protector for metal surfaces used by man today is pure red-lead paint, made from lead. This metal-protecting film of red-lead paint is so important that the hardest-to-get-at places of our tallest skyscrapers receive a thorough red-leading regardless of the fact that they will later be shielded from the weather by walls of brick and mortar. And railroad cars, ships, signal towers, farm machinery, water tanks, filling station pumps, life-boats, tin roofs, gas tanks, coal piers, even the "Iron Policeman" on the corner—these are but a few of thousands of places where red-lead paint is on guard against rust.

### Why Dutch Boy red-lead?

The United States Navy, eminent engineers, contractors and builders

**WHY?**

prefer Dutch Boy red-lead because of its great dura-

bility and economy of application. It brushes out so evenly that it makes a superior film which sticks tight to the metal surface. Properly maintained, such a film gives complete and lasting protection.

Dutch Boy red-lead comes in paste form. When mixed with pure linseed oil, it makes an orange-red paint which, if desired, can be tinted to any dark color.

### Paint booklet sent free

**T**HE "Handy Book on Painting," a storehouse of general paint facts and formulas, will be sent to anyone free. A section of this handbook is devoted to the protection of metal surfaces. It tells how to prepare the surface for painting, how to mix and how to apply the paint. We shall also be glad to give you any specific information on any particular painting problem you may have.

### Other Dutch Boy Products

Besides red-lead, the Dutch Boy line of products includes flattening oil, linseed oil, solder, babbitt metals and white-lead.

If you would like to know more about any of these or other uses of lead, write to our nearest branch.



Save the surface and you save all that's in it.

### NATIONAL LEAD COMPANY

New York, 111 Broadway; Boston, 131 State St.; Buffalo, 116 Oak St.; Chicago, 600 West 18th St.; Cincinnati, 639 Freeman Ave.; Cleveland, 820 West Superior Ave.; St. Louis, 722 Chestnut St.; San Francisco, 482 California St.; Pittsburgh, National Lead and Oil Co. of Pa., 316 Fourth Ave.; Philadelphia, John T. Lewis & Bros. Co., 417 Chestnut St.

sooner or later Europe will have to buy wheat from North America.

"Taking a long view of the situation I am inclined to think that things will improve for the American exporter, as by the beginning of 1926 Russia and the Continent will have shot their bolt and Europe will be compelled to buy from either the United States or Canada."

"Russia has always been an enigma and a bug-bear," complains the journal. "Last year we found Russia selling wheat and late in the season she startled the world with enormous flour purchases. This is not propaganda; it is queer commercialism. That buying nations will make the most of Russian shipments, goes without saying."

What about Russia's oil?

The Soviet oil industry has announced that oil production in the Baku, Grozny and Emba fields will be increased 25 per cent during the next Soviet fiscal year, beginning October 1, 1925, according to bulletins received by the Russian Information Bureau in Washington.

### Tons of Russian Oil

"Production planned is about 8,400,000 tons, which is close to pre-war, and compares with 6,300,000 tons this year. Exports have already passed the pre-war volume, as the home consumption is appreciably less than in 1913, due to the heavily populated territory lost to Russia as a result of the war. The five-year plan adopted for the industry last year contemplates a yield of 17,000,000 tons in 1930.

"Production in the Baku fields in May amounted to nearly 460,000 tons, which is considerably in excess of the program."

*The Iron Age* proclaims signs of economic recovery in Russia: "Direct reports from Moscow, on the eve of the new business year beginning October 1, show prospects distinctly good. It is almost certain that this new business year 1925-26 will see large purchases of foreign machinery and of production apparatus generally. A main cause is the good harvest."

"Forestry and fisheries production are put at 15 per cent more than in 1913. Production of industries worked on factory principles reached 70 per cent of that in 1913. The industrial program for 1925-26 provides for output worth 5,275 million roubles against 3,950 million roubles in 1924-25, and 5,620 million roubles in 1913. Production of home industries and petty industries will about equal that of 1913.

"The iron industry still lags a long way behind, but its recovery to nearly a quarter of pre-war production records progress, in view of the fact that output in the worst year fell to 4 per cent of pre-war production. The present chief obstacle is shortage of capital."

Russia is going to take American shoes, according to *Hide and Leather*: "Rumors persist regarding impending purchases of shoes and leather in America."

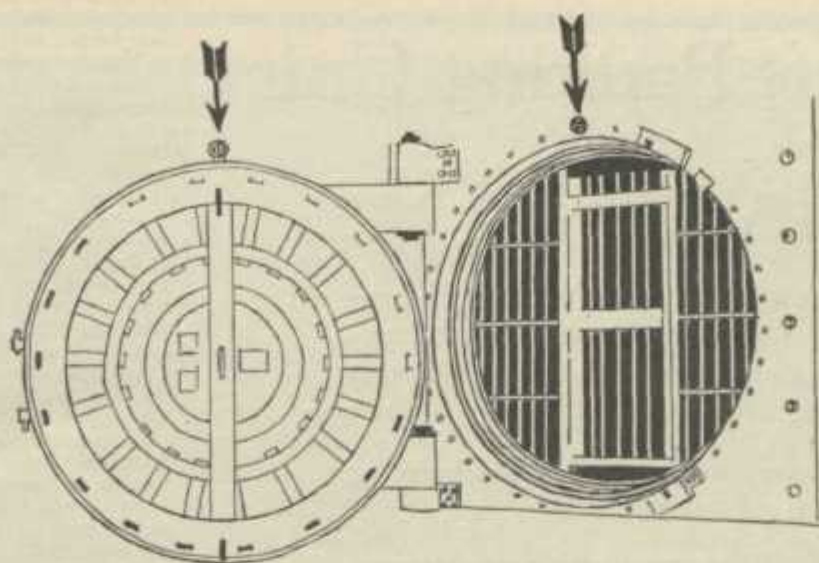
### Labor's Part in Russia

With regard to labor productivity and wages, the *Russian Review*, published by the Russian Information Bureau at Washington, D. C., reports that, for Soviet industry as a whole, "the average increase in the output per worker will amount to 10 per cent." If the allowance made for rent is excluded, the rise in nominal wages will amount to 8 per cent and that of real wages to 19 per cent.

A report from London that the Soviet Government has agreed to French proposals for a settlement is printed in *The American Metal Market*: "Under the terms the Soviet engages to pay compensation to small French investors for losses incurred through cancellation of state debts by Russia. Compensation named is 50 per cent in paper francs of nominal value of original bonds. Only bondholders proving that they acquired their securities before 1917 will benefit from new interest-bearing bonds to be issued. This is the only apparent concession made on debts."

"Soviet will not recognize claims for foreign property nationalized. French Government will benefit for two years from a contract granted to the Parafina Desmarres Frères of 90,000 tons of





## Burglar-proof! but with electric protection too.

Practically every burglar-proof vault is protected by an electric burglar alarm connected with an outside organization that maintains armed guards.

Why?

The guards give but a small additional protection to a vault that is already burglar-proof, but the check-up of an outside organization assures the proper functioning of all the protective devices of the vault.

The Hartford Fire Insurance Company offers a similar "check-up" service for your fire prevention apparatus. The Hartford will send its specially trained Fire Prevention Engineers into your plant. They will go over your fire hose, operate your fire doors, test your extinguishers, study your watchman system, examine your "housekeeping", look into the handling of your products or combustible material. This service is free. You pay only the regular rate for the indemnity against loss represented by a Hartford policy. The desirable fire prevention service of the Hartford is given free. It is a part of the Hartford's service to property owners.

Ask the nearest Hartford Agent to put you in touch with this service. It may reveal a serious though unnoticed danger.

## HARTFORD FIRE INSURANCE CO.

HARTFORD CONN.



*The Hartford Fire Insurance Company and the Hartford Accident and Indemnity Company write practically every form of insurance except life*



# A Complete Banking Unit

- devoted to serving customers in the United States outside New York City;
- directed by officers who maintain personal contact with all parts of the country, thereby keeping constantly informed on business conditions and customer requirements;
- possessing in its own organization every banking investment and trust service;
- offering all the facilities, world-wide connections and total resources of our entire institution.

This is the Irving-Columbia Out-of-Town Office, in the Woolworth Building, New York—a Banking Office that, for all customer purposes, is a complete bank in itself.

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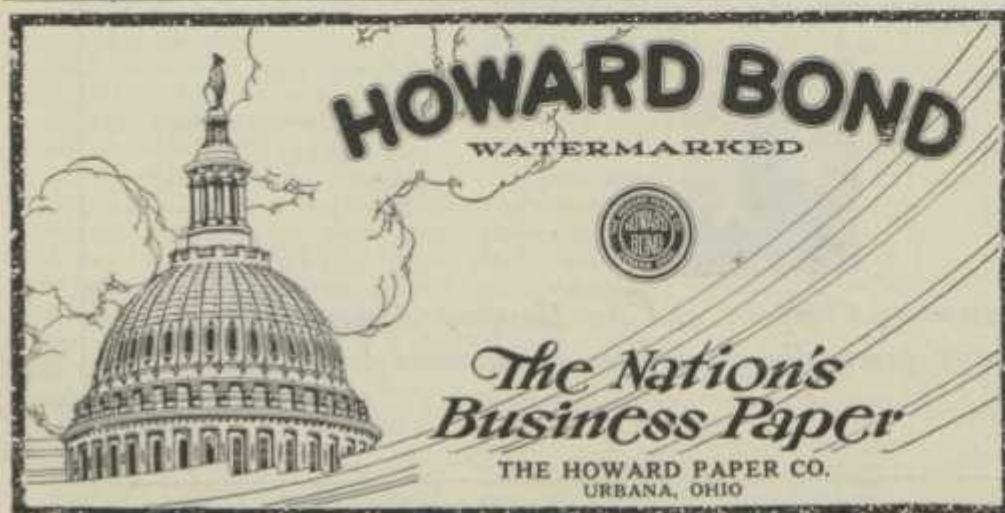
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IRVING BANK-COLUMBIA TRUST COMPANY

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**HOWARD BOND**  
WATERMARKED

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Business Paper*

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When writing to IRVING BANK-COLUMBIA TRUST COMPANY and THE HOWARD PAPER CO. please mention *Nation's Business*

benzene at 412 a ton and 35,000 tons of lubricating oil. French navy, which is now receiving 85,000 tons of fuel oil from Russia, will be supplied with 150,000 tons a year. If this is carried out French navy air force will be independent of British and American oil interests.

"Entire Russian exports of oats and other cereals under the agreement will be handled by French dealer. Transactions amounting to between £3,000,000 and £5,000,000 negotiations will be begun for laying a pipe line from Baku to Batum, the pipes to be ordered in France."

*Land and Freedom*, formerly *Single Tax Review*, reports economic improvement in Russia as steady although not very rapid: "The agricultural production last year reached about 90 per cent of the pre-war level according to Russian statistics. The industrial production does not make so good a showing. Railway fares are low, but freight rates are high. There has been considerable unemployment during the winter. The unemployed in the cities were given shelter by the Government, and there has been no great privation. Great numbers of people have been moving to the land just as was the case in the United States as long as homesteads could be had in the west. In many cases free transportation is furnished to organized colonies. Settlers are going from Western Russia to Eastern Siberia and the Saghalien Island. Danish dairy farmers are establishing model farms and dairies near Moscow. Several American agricultural colonies have been established in Southern Russia. . . . Russia has a stable currency ranking with that of the United States and Sweden. This feat in national finance was accomplished without any foreign assistance and reflects great credit on the organization of the measure."

## Short Term Credit Good

Recently a Russian delegation visited Great Britain from the All-Russian Textile Syndicate. It appears, from *The Manchester Guardian Commercial*, that the visitors wished to do business on a two-year credit basis. The short-term Soviet credit is "quite good in London," says the newspaper, for "the Soviet Government has too much at stake to default, and it is scrupulously careful to meet instalments. Self-liquidating bills of exchange drawn on Arcos, Ltd., or Centrosoyus, with the guarantee of the Russian State Bank, should be regarded as excellent trade paper, and it was on this basis that Lancashire cloth manufacturers and merchants recently made their first experiment in granting credit to Russia."

But two years' credit is "quite a different matter without the guarantee of the British Government," and herein lies the difficulty. "The Soviet Government has certainly disappointed those who prophesied that its reign would be short, but who will maintain that it will last forever? And should there be any violent change of government, the only safe thing to guarantee is that the next government will not recognize the liabilities of the Soviet Government."

## Come Back, Immigrants! We Can't Do Our Own Rough Work

THE TOTAL number of immigrants received into the United States for the year ending in June, 1925, was only 32 per cent of the total for the year before, according to a report of the National Industrial Conference Board. During the year ending June, 1924, 706,896 aliens entered the United States, while for the current year the number fell to 224,314 with many countries far short of the quotas permitted.

In addition to this cut in entries, emigration of European nationals, from the United States to their homelands, has been very large. Hence, the gross increase of population from outside the country is coming largely from Canada and Mexico—both non-quota countries. "This in itself is not disturbing," points out *Engineering News-Record*, "for our two neighbors send helpful citizens as a rule and ones who will fit into our labor needs, but it is disturbing to know that our ranks of labor are not being increased as they should be to take care of the normal increase of work for labor to do. It is too soon





## FILLING A BIG PRESCRIPTION

**T**HE telegram was urgent—  
"Make shipment earliest possible moment."

A tornado had swept through three states! Towns lay in ruins; whole families wiped out; hundreds injured, needing instant attention; doctors and nurses rushing from nearby cities and towns, but the local supplies of drugs, medicines and surgical dressings already exhausted or destroyed.

Back in Detroit, in the plant of Parke-Davis & Co., there is no confusion, no lost motion. Orders are issued and executed with the precision of a well trained army. Swift fingers spin the dials of P-A-X telephones, and all over the great plant, department heads answer their code calls, receive instructions, which are instantly relayed to their

assistants by the same efficient method. In an incredibly short time, all arrangements are completed to the minutest detail; the "big prescription" is filled, and on its way to the relief of suffering thousands.

Parke-Davis & Company have the world's largest plant devoted exclusively to the development, research and manufacture of drugs, medicines, chemicals, etc., and they find P-A-X indispensable to the rendering of the splendid service for which they are noted. Their 250 intercommunicating phones carry a total of 2000 calls during each 8-hour day. Since no operators are needed with P-A-X, it provides an economical, as well as a most efficient, method of co-ordinating effort and eliminating waste in this vast enterprise, both in the emergencies which frequently arise and in the regular routine of their business.



The P-A-X is a private automatic telephone exchange built of the same Strowger type of Automatic telephone equipment being so widely adopted for city service. Besides its fundamental use for interior telephony, the P-A-X includes and co-ordinates such services as code call, conference, executive's priority, emergency alarm, etc. It meets all intercommunication needs.

## Automatic Electric Company

Home Office and Factory, CHICAGO, ILL. Branch Offices: New York, 21 East Fortieth St.; Cleveland, Guyaboga Bldg. Representatives in all principal cities. In Canada—Northern Electric Co., Ltd., 121 Shearer St., Montreal, P. Q. Abroad—International Automatic Telephone Co., Norfolk House, Norfolk St., Strand, London, W. C. 2, England. In Australia—Automatic Telephones, Ltd., Mendes Chambers, Castlereagh St., Sydney.

**P-A-X**  
TRADE MARK  
**PRIVATE AUTOMATIC EXCHANGE**

Automatic Electric Company is the originator of P-A-X and is the only organization in the United States manufacturing interior telephone equipment under this trademark. Its use by any other company is absolutely unauthorized.





## "Wait! We Don't Want Wood Shelving!"



"In a month from now we may want to move it. With Wood Shelving we are stopped unless we tear it down!"

A Van Dorn Steel Shelving Catalog convinced this man to stop further work on the erection of wood shelving.

Investigate the superior advantages of Van Dorn Steel Shelving and here, briefly, is what you will find:

(1) It is easily erected. A screw driver and wrench are the only tools necessary. (2) It is just as easily taken down, altered, moved, and added to as your needs dictate. (3) The unit principle of construction makes possible countless arrangements to meet every shelving requirement regardless of what it is. (4) It is always attractive, durable, sanitary, and free from splinters, projecting nails, and all the disadvantages of old-fashioned wood shelving.

If you wish, we will have our representative in your territory call on you with all the facts. His services and co-operation are entirely without obligation on your part.

THE VAN DORN IRON WORKS CO., CLEVELAND, OHIO

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New York—Washington—Chicago—Pittsburgh—Cleveland  
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Convertible  
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to judge whether the fear of too great immigration justifies the cutting down of our labor supply, but it is not too soon to realize that with that supply cut there is small chance of there being any reduction in the wage that the remainder will draw."

Railway Age, commenting on the direct effect of such reduction upon the railways, as being among the largest employers of alien labor, says: "Of particular significance to the railways is the curtailment of immigration from those countries on which the roads have drawn most largely for their track and construction labor. The statistics show that of those persons classed as unskilled laborers 15,106 more departed from the United States than entered during the last year as contrasted with a net gain of 70,742 in the year 1923-1924. On the other hand, there was a net gain in skilled labor during the year of 42,422."

### Machines the Only Solution

"The only permanent and sure solution of the problem presented is the replacement of manual labor with mechanical equipment as far as possible. Rapid progress is being made in this direction, but much more still remains to be done."

Among the nationals leaving this country in such numbers as to neutralize the effect of immigration are the Italians, Greeks, Hungarians, Bulgarians, Lithuanians, Yugoslavs, Chinese and Japanese, Portuguese, and Rumanians.

Those countries which failed to fill their quotas were:

Czechoslovakia	by 17	per cent
Great Britain	by 12½	per cent
Germany	by 11	per cent
Italy	by 10	per cent
Sweden	by 6	per cent
Irish Free State	by 5	per cent

"Is the United States in danger of not getting enough immigrants?" asks *Forbes*. "Consider this fact: There was a net loss of 15,106 unskilled laborers last year. Is this gratifying or alarming? Does not this country need unskilled workers more than any other class of immigrants? If we continue to lose rather than gain common laborers, who shall perform our rough work, who shall undertake the nation's chores? Whence will come workmen to carry out our vast program of road building, our unskilled work connected with the building of homes and offices and factories, the digging of subways, the construction of tunnels and other heavy work incidental to the rapid expansion of public utility facilities, the unskilled work in and around our mines, the construction of railroads and waterways and harbors, the thousand and one kinds of work in our factory and furnace which native-born Americans will not undertake? Are we moving towards such a scarcity of common workmen that wages will have to be advanced so much that the cost of living in this country will increase to a point endangering our ability to compete in world markets?"

The *Iron Age* sees it from another angle and is not panicky: "There can be no doubt that the country at large, whatever the various reasons may be, is well satisfied with the present immigration law as a whole, and substantial changes are unlikely." And further, "among aliens as a whole there cannot be any great desire to be in this country or the departing of aliens would not be so conspicuous."

When it is said that industry is "adjusting itself to a diminished supply of common labor," it is wide of the mark to relate this condition solely to immigration restriction, contends the *Journal*. "We know perfectly well that years ago a much larger percentage of the native born were common laborers than has been the case lately. The introduction of machinery has been continuous, and the proportion of common labor required for getting a given amount of work done has been decreasing right along. Indeed, it was a very familiar argument not very long ago that we just had to have immigration because Americans would no longer do common laboring work. There had been a time when they were doing it."



## Chips From the Editor's Work Bench

PROBABLY there was no political significance in the coincidence of the opening of the new complaint division of the Department of the Interior at Washington and the opening of the football season, except that kickers were to have a new deal. But if Doctor Work is really in earnest when saying that "there are lost to the Department through lack of personal contact helpful suggestions and criticisms that would come from those citizens whom the Department serves," isn't he immediately inviting abolition of his listening post?

There are still incandescent citizens whose tenses tingle and whose nostrils dilate at mere mention of more divisions, bureaus, boards, and commissions of the Federal Government. And to announce that the new division is to be directed by the Department's chief inspector suggests official inquisition rather than reformation. But the fact is that the Secretary of the Interior has set up an accessible lightning rod in his department, and whether or not doctors of other schools see it as a transformer of complaints into approval of the Department's administration, it stands for public trial with a sort of amiable provocation. "If you have kicks, prepare to shed them now."

HAVE YOU a little buffalo bull in your home? New homes for one hundred gentlemen bison of the Yellowstone Park herd are sought by the National Park Service. The matter of the herd's excess of male population was referred to Congress and permission for disposal obtained. Any person desiring one of the bulls must pay the cost of catching and crating, and the transportation charge from the place of capture to "its new home." Applications will be received by the Director of the National Park Service, Department of the Interior, Washington, D. C.



Shipments of the buffalo were expected to be made in September, October, and November. Possibly this bull movement may not jar Wall Street seismographs, but at any rate it feeds suspicion that Congress has come under the spell of an old Spanish custom.

HOW MANY customers should a grocer have? Considering the number of grocers in the United States with regard to the total population, he should have 499. Giving each butcher an equal share of the population would allot him 880 customers. And getting on to the kinds of stores established in every sizable community, the census figures provide other interesting averages for the number of customers.

Each drug store in the United States would have 1,341 customers, and each dry-goods store, 1,682 customers. Of each men's clothing store, 2,304 customers would buy and 2,615 persons would trade at each hardware store. Each furniture store would deal with 4,132 customers, and each shoe store with 4,768.

If each department store got the average

## KEEP PACE WITH BUSINESS!



American business is noted the world over as keen, wideawake, ever moving. Certainly no literature so strongly calls for up-to-date revision as does business literature. Yet keen business men, who keep price lists and personal data books in loose-leaf form, have had to depend on business reference libraries that are out of date even before they are off press.

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FIRST FLOOR

Six-Room House No. 627-A

Designed for American Face Brick Association

This house has just been built in Chicago by the Chicago Federation of Women's Organizations, in co-operation with "Better Homes in America," in its effort to stimulate better home building. Two years ago "Better Homes in America," of which Secretary Herbert Hoover is president, built the "Home Sweet Home" house in Washington, D. C.

## Beautiful Homes —Economical to Own

THE many color tones and textures in Face Brick—the artistic effects possible with various bonds and mortar joints—give a varied beauty unapproached by any other building material. The savings of the Face Brick house in repairs, depreciation and painting, in insurance rates and heating costs, in a few years wipe out its slightly higher initial cost and make it the most economical to own. The facts are more fully detailed in "The Story of Brick."

### Booklets You Ought to Have:

"The Story of Brick" is, as one reader says, "a liberal education in home-building." It gives just the information the prospective builder wants. Sent free.

"Face Brick Bungalow and Small House Plans" in four booklets, showing respectively 3 to 4-room, 5-room, 6-room, and 7 to 8-room houses, in all 104. Unusual and distinctive designs combined with convenient interiors. Any one booklet, 25 cents. The entire set, one dollar.

"The Home of Beauty" shows fifty

two-story six-room houses selected from 350 designs submitted by architects in a nation-wide competition. Sent for 50 cents.

"The Home Fires," a most attractive fireplace book, with many designs, gives full directions for fireplace construction. Sent for 25 cents.

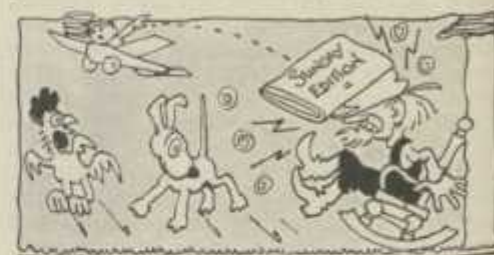
"A New House for the Old" will tell you all about restoring an old house with a beautiful, permanent overcoat of Face Brick. Sent free.

Address, American Face Brick Ass'n, 1730 Peoples Life Bldg., Chicago, Ill.

quota of customers, it would have 10,490. Music stores would be on an equality if they had 13,502 customers each. Five-and-ten-cent stores could count on 18,012 customers each, if the customers would stay put, and each book store would have a field of 35,420 possible customers to cultivate.

Calculations of the sort provide a suggestive measure of comparison in fixing the state of trade for any specific business—that it is above or below the average is worth knowing. But the trouble with the law of averages, as with some other laws, is that it can't be enforced.

THE OLD ITCH for news bodied in "Drop me a line" now has its modern balm in delivery of newspapers by airplane. The experiment of an Illinois newspaper in serving



its rural subscribers by plane was so successful that it plans to establish a regular service. Routes usually covered by motor trucks at 10 cents a mile were served by plane at a cost of 4 cents a mile.

But what recompense is mere speed of delivery and lower cost when weighed against a possible loss of subscribers? What head could be proof against the impact of a fat "home edition" dropped not wisely but too well? Still, any experienced publisher would know how to meet the gravity of the situation, for it's his business to keep reader interest alive at any cost.

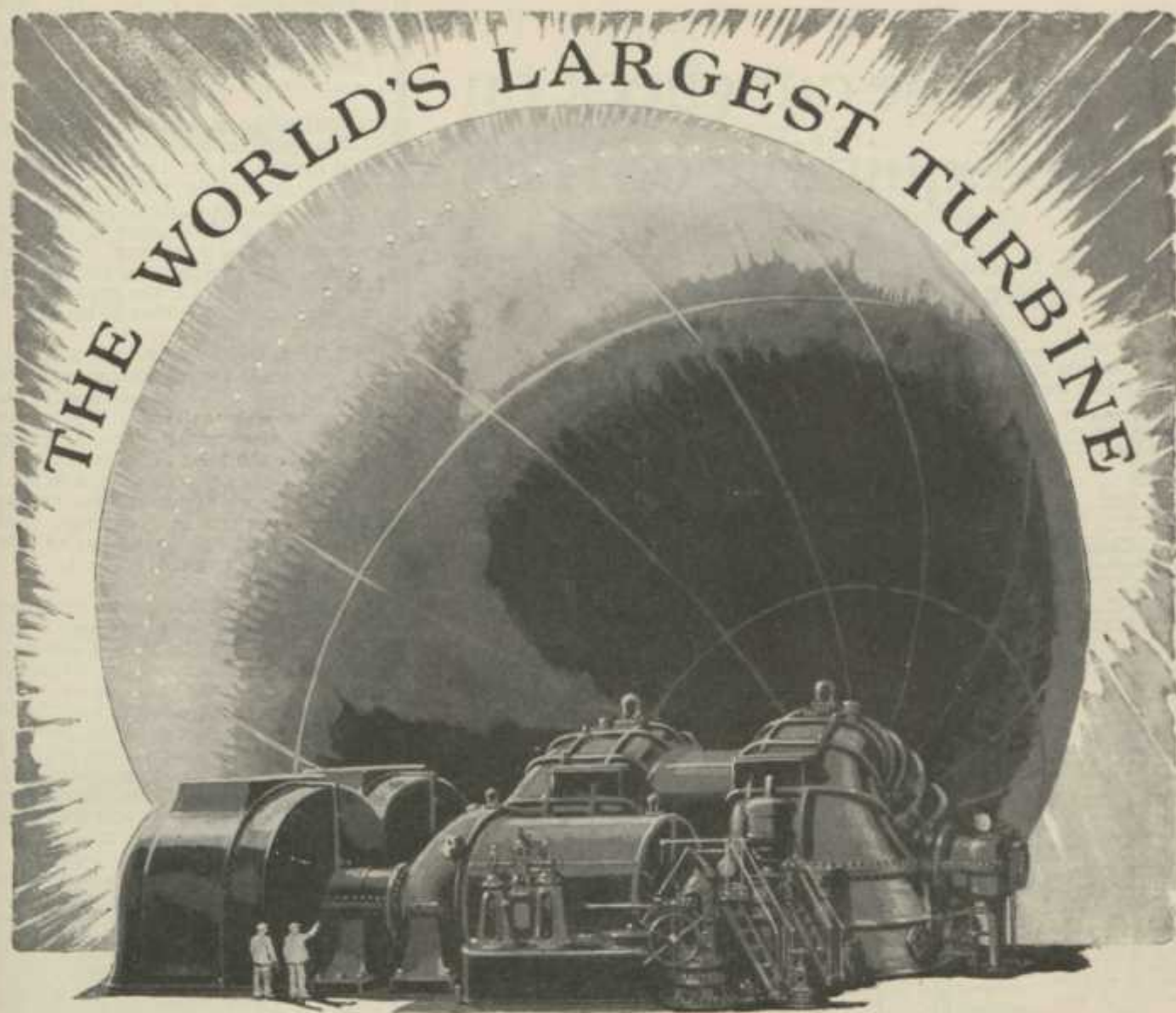
WHY DO young men born to write sonnets, or to be surgeons, bankers, or lawyers, choose engineering courses? The trouble seems to be, according to the experience of industrial executives, as reflected in a study made by the National Industrial Conference Board, that many young men entering college to prepare for industrial careers know nothing of the practical requirements of mill or factory work, and in that lack of knowledge choose unwisely.

Choice, the study shows, is frequently fixed by fancy, rather than by fact. Decisions are determined by home influences—perhaps the father is identified with an industry, or the family lives in an industrial neighborhood, or has ownership in some industry. Or it may be that glamorous fiction or the romantic tales of older men give direction to younger men's choices of vocations—"many of them select courses of study with the impulse of fancy bent toward some particular line of work. Later, however, they discover their natural ability to be along other lines, but unfortunately by that time their university years are behind them, and it is too late."

To prevent regrettable choices, industrialists suggest that college students considering industrial careers work during vacations in mills or factories, where they may obtain first-hand knowledge of conditions and requirements to be faced after graduation.

Replies to the board's questionnaires bring further confirmation to belief that a square peg in a round hole of industry is an expensive misfit. A man in that situation is an uncertain quantity—an element of the unknown in industry, as prolific of doubt and uncer-





## Big Enough to Make a Gay White Equator

Here is compelling evidence of the progressive spirit which animates the electric service companies of the United States.

This 80,000-kilowatt steam turbine-generator, just ordered by the Brooklyn Edison Company, will generate current in such quantities that if it could be applied to the equator, a girdle of 100-candlepower lamps, spaced 100 feet apart, could be kept burning brightly throughout the seasons. It will surpass all generators thus far built in capacity and in efficiency and economy of generation.

It is made possible by the enterprise of electric service company managements. These, both by the initiative of their own engineers, and by

their readiness to employ the products of others, have so improved their art that electric current has been made available to the masses of the people at a steadily declining price.

THIS generating unit, which is being built by Westinghouse, is the largest ever ordered anywhere in the world. It will be approximately 67½ feet long, 36 feet wide, 24 feet high, and will weigh about 1,835,000 pounds. The same broad engineering experience, skilled workmanship, and attention to detail that will create this huge unit enters into every Westinghouse turbine—from the largest to the smallest.

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Office in All Principal Cities • Representatives Everywhere  
Localities Service — Men, Parts, Shops.



# Westinghouse

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**F**OURTEEN foreign governments, including Great Britain, France, and Belgium, and two hundred governmental subdivisions of the United States are served in various capacities by the Trust Department of this Company.

These governments and more than five hundred leading corporations of the United States have found our complete facilities and organization of distinct advantage. We render every trust service—as fiscal agent, transfer agent, registrar, trustee, depository, custodian, receiver, for corporations and governments; and as executor, trustee, administrator, guardian, for individuals.

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## Government Aids to Business

TWENTY-SEVEN OF THE 33 largest cities in the United States, with populations of more than 200,000 each, have now adopted zoning ordinances, the latest being

**Zoned Cities  
Total 320 at  
First of Year**

Denver, says a report of the Department of Commerce. The spread of the zoning movement is shown by the fact that the 48 cities and towns zoned in September, 1921, increased to 159 zoned municipalities in January, 1923, and to 320 municipalities by January, 1925.

An analysis of the 46 places reported zoned during the first six months of 1925 shows three cities with more than 100,000 each, namely: Denver, Hartford, and New Bedford. There are also 10 cities with less than 100,000 population each, but with more than 25,000; and 33 cities, towns, and villages with less than 25,000 inhabitants each. During the first six months of 1925, zoning legislation was enacted by Arizona, Idaho, Maine, New Hampshire, and Utah, which had been without zoning laws. Four of these five states used the Department of Commerce "Standard Act" wholly or in large part in drafting their laws, the Department reports.

The list of state laws and zoning ordinances enacted, which were reported during the first six months of 1925, is obtainable on application to the Division of Building and Housing, Department of Commerce, Washington, D. C.

SPECIFICATIONS for more than 6,000 commodities are included in a 385-page, cloth-bound directory issued by the Bureau of Standards in cooperation with the Bureau of Foreign and Domestic Commerce.

**A Directory of  
Specifications  
at \$1.25 a Copy**

This directory tells not only what specifications are in general use, but also by whom they were prepared and where copies are obtainable.

In it are indexed about 27,000 specifications prepared by the Federal Specification Board, departments of the Federal Government, state and city purchasing agents, public utilities, technical societies and trade associations. It contains a statement and indorsement by members of the Board which gave advisory aid to the issuing bureaus, a foreword by Secretary Hoover, a classified list of specifications for all types of commodities, which serves as an index to the



specifications, and directions for obtaining copies of specifications listed in the directory.

In accordance with the recommendations of the advisory board, the decimal system of classification was used, with the specifications classified by sources rather than by uses of the commodities.

Copies of the National Directory of Commodity Specifications, printed in reference-book style, are obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C., at \$1.25 each.

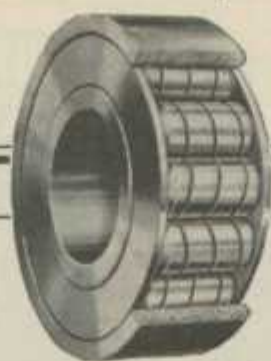
EXTRACTS PREPARED from the waste sulphite liquors discharged from pulp mills have been largely used as fillers in the manufacture of sole leather, without detriment

**Sulphite Liquors  
From Pulp Mills  
Used as Tannage**

to the wearing and aging qualities of the leather, says the Bureau of Standards, in reporting a series of laboratory experiments to determine whether these materials could also be used in tanning leather.

The first experiments made by the Bureau were concerned with the use of sulphite cellulose extract as a pretannage, samples of hide being





## A roller bearing is not a "ball bearing"

It is common practice among machine shop men to designate all anti-friction bearings as "ball bearings" although many of them are not ball bearings, but roller bearings with rollers of various types. One of these—the Hyatt roller bearing—has been a leader among anti-friction bearings for thirty-five years.

In 1884 John W. Hyatt, who had designed a new type of sugar cane mill, could find no bearings strong enough to stand up under the required heavy duty. But after patient research and exhaustive tests Mr. Hyatt finally evolved the Hyatt roller bearing, a true anti-friction bearing, designed primarily for strength and endurance.

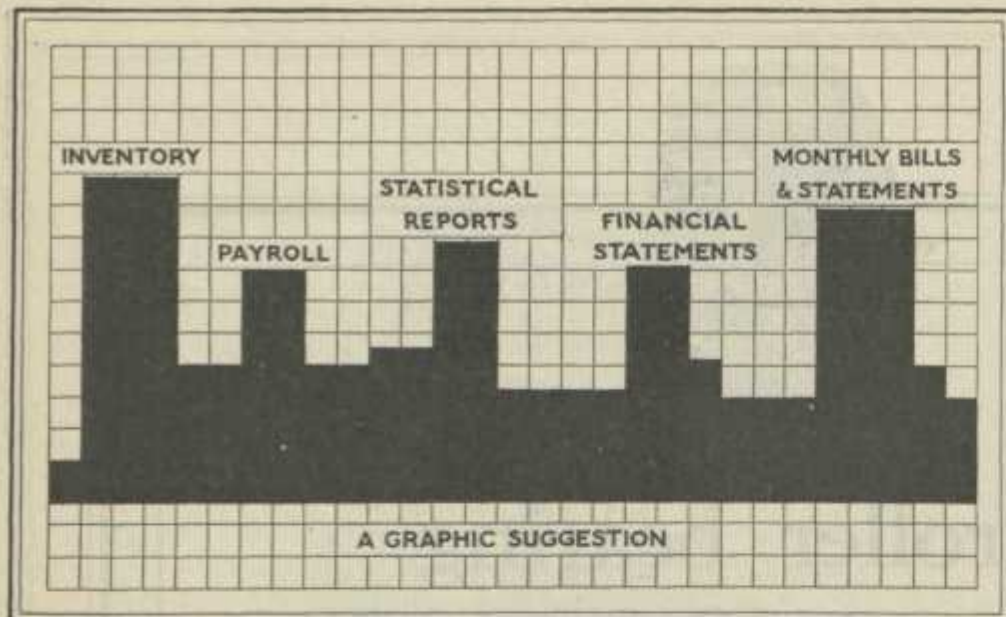
Today Hyatt bearings of this same basic design, modified and refined to meet the demands of improved manufacturing methods, are taking care of the needs of every phase of industry.

For the greatest economy of operation and dependable service free from repairs and replacements always specify these reliable anti-friction bearings.

### HYATT ROLLER BEARING COMPANY

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WORCESTER    PHILADELPHIA    CHARLOTTE  
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the work without appreciable disturbance of normal routine.

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There is always something to be learned by talking to a man who knows his business. It will place you under no obligation to talk over this, or any other phase of Comptometer work, with a Comptometer man who knows. Your notation, "Let him call," on the lower half of this page returned to us, will bring him.

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it's not a Comptometer

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successfully introduced into liquors of  $\frac{1}{2}$ , 1, and  $1\frac{1}{2}$  per cent tanning strength, after which they were tanned with an extract blend made up of  $\frac{1}{2}$  quebracho,  $\frac{1}{4}$  oak, and  $\frac{1}{4}$  chestnut. The total time of tanning was 24 days. The gain in weight was 70 per cent, the Bureau found, and the leather had good color and wearing quality, and seemed to be suitable for currying.

The second series of experiments consisted of tanning in a straight extract blend of 1-3 sulphite cellulose extract, 1-3 cutch, and 1-3 chestnut. The total time of tanning was 35 days. Samples of steer hide were used, and the tanning was done entirely in agitated liquors, and continued for four months, during which time 10 lots of leather were made. The leather showed a gain in weight of 72 per cent, and an analysis showed a degree of tannage varying from 67 to 71.

These laboratory experiments indicate that sulphite cellulose extract may be used in the actual tanning process and that tanners might well investigate its use on a commercial scale.

FLORIDA'S PORTS reflect the state's present prosperity, according to a report on Jacksonville, Fernandina, Miami, Key West, Tampa, and South Boca Grande.

**Florida's Ports Show Gain in Tonnage Moved** prepared by the Board of Engineers for Rivers and Harbors, War Department, in cooperation with the Shipping Board.

This report, designated No. 8 in the series on ports of the United States, says that the commerce of Florida ports was formerly characterized by large shipments of phosphate, lumber and naval stores, and that although trade in these commodities still flourishes, important changes have developed in the last few years. The most pronounced increase of commerce is reported from Miami, where the freight traffic increased from 206,000 tons in 1922 to 1,105,616 tons in 1924.

Like others of the series, this report was prepared to meet the needs of the Government, and



to provide dependable information for the use of importers, exporters, manufacturers, railroads, steamship lines and the general public. The information relates to port and harbor conditions, port customs and regulations, services and charges, fuel and supplies; facilities available for service to commerce and shipping, inclusive of piers, wharves, dry docks, ship-repair plants, coal and oil bunkering, grain elevators, storage warehouses, bulk freight accommodation, wrecking and salvage equipment, railroad and steamship lines.

The foreign and domestic commerce is discussed, including the origin and destination of imports and exports and the territory served, these features being illustrated with maps.

This report, No. 8 of the series, is obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C., at \$1.10 a copy.

A Code, called the "Code of Colors and Forms for Traffic Signals for Highways and Vehicles," has been completed under the auspices of the

**Code of Colors and Forms for Traffic Signals** American Engineering Standards Committee, the entire project having been undertaken under the joint sponsorship of the Bureau of Standards, the National

Safety Council, and the American Association of State Highway Officials.

The code is intended to cover the use of luminous and non-luminous signs and signals for highway traffic, including moving and flashing signals, the use of lights, symbols, and other signaling devices on vehicles. The methods of specifying or defining color for signals are given in the code.

The use of red is recommended for "Stop," green for "Go," yellow for "Caution." Headlights



are required to be either white, amber, or yellow, and tail lights to be red; no red or green lights shall be displayed on any vehicle to be visible from a point directly in front; light signals which indicate a driver's intention to reduce speed or change direction should be yellow.

Highway signs of a cautionary nature are to consist of black letters or symbols on a yellow background. A set of symbols is given to indicate curves, road intersections, railroad crossings, and these are recommended in place of or supplementary to words. A special signal is specified to indicate an approaching train at railroad grade crossings.

THE INCREASING USE of radio and the necessarily small separation in the frequencies of transmitting stations have created a demand for information on methods for measuring the frequencies of waves from radio-transmitting stations, the Bureau of Standards reports. Measurements of the character indicated are required in utilizing the standard frequency signals transmitted by the Bureau twice a month, and also in making use of the standard frequency stations which are listed each month in the Radio Service Bulletin, a monthly publication of the Department of Commerce, obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 25 cents a year.

**Apparatus for Measurement of Radio Frequency**

A new letter circular recently prepared by the Bureau, gives a detailed description of the construction, calibration, and use of apparatus for frequency measurements. This apparatus is designed for the greatest simplicity consistent with the making of dependable measurements, the Bureau explains, and the descriptions are given in sufficient detail to be understood by persons having limited experience in radio-measurement work.



A copy of this letter circular is obtainable on application to the Bureau of Standards, Washington, D. C.

SOME RECENT ARTICLES on alcohol as a fuel for internal combustion engines have implicated, if not directly stated, says the Bureau of Standards, that a high compression ratio is necessary. That this is not true is fortunate, the Bureau says, because manufacturers would be very disinclined to alter their engines in such fashion as to make them unsuitable for operation with gasoline. Alcohol permits, but does not require, the employment of a much higher compression ratio than gasoline, the Bureau explains.

The Bureau summarizes its position with saying that should alcohol or other fuels of equal "anti-knock" value become generally available, compression ratios could be increased, and as a consequence higher efficiencies could be attained. In the meantime the chief advantage to be derived from the use of an "anti-knock" fuel, the Bureau believes, is that it permits satisfactory operation with an engine too badly carbonized for satisfactory operation with gasoline.

The use of alcohol does require larger metering jets or a larger needle-valve opening in the carburetor, the Bureau finds, because alcohol is more viscous than gasoline, and because a much richer mixture of alcohol and air is required for complete combustion than of gasoline and air—a change which can be made with little difficulty.

**Alcohol Used as "Anti-knock" Motor Fuel**

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# "This family would be living comfortably if—"

*A true story, told by the President of a large Trust Company\**

"UPON the death of her husband, a widow, with two daughters, was left to manage his affairs. His estate yielded a comfortable income derived mainly from high grade securities. The income was sufficient to keep the three members of the family in the circumstances to which they had always been accustomed.

"A relative persuaded the widow to invest her funds in a speculative business, in which he had placed his own money. She sold her high grade securities and entered into the speculation. After a time, the enterprise proved worthless and the widow lost her entire inheritance. She and her two daughters are now earning their own living.

"This family would be living comfortably without the privations and extreme effort required by their present circumstances, if the estate had been placed in the hands of a proper trustee, such as the modern trust company. I have never known of a case more directly applying to the purposes to which trust companies are devoted than this."

This story, taken from life, shows conclusively that you should relieve *your* wife and family of the responsibility of managing your affairs and surround your estate with proper safeguards against the possibility of loss through inexperience or mismanagement.

Name a trust company in your will as your executor and trustee. Your affairs will then be taken care of by men skilled in the management of estates and trusts.

*\* The name of the President will be supplied upon request.*

Ask an officer of your local trust company to describe to you the details and cost of trust company service in estate matters. Or, you may write to the undersigned for a booklet giving information about estates and trusts.

**TRUST COMPANY DIVISION  
AMERICAN BANKERS ASSOCIATION  
110 EAST 42nd STREET, NEW YORK**



## "Good Enough"

There is something unsatisfying in the characterization—"Good Enough"—some definite implication of mediocrity, of a standard several degrees below par. Hence "Good Enough" does not measure up to the requirements of the successful business man.

Dahlstrom Products are not designed for those who are content with mediocrity. They do not compete on a basis of price, but of quality in materials, in workmanship, in finish and in permanence of service.

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**METALLIC DOOR CO.**  
JAMESTOWN, N. Y.  
NEW YORK CHICAGO DETROIT  
*Representatives in Principal Cities*

**DAHLSTROM**  
Established 1904

THEY ARE BUILDING IN MIAMI



The sound, rapid development of Miami, The Concrete City, doubly assures the safety of our \$100 to \$1,000 First Mortgage Bonds secured by income-paying business property independently, authoritatively appraised at approximately twice amount of mortgage loan. Do not accept less than 8% interest—the prevailing legal rate in this seasoned investment field. Interest coupons payable semi-annually. References: *ALL Miami Banks*. Write or use coupon for "8% AND SAFETY" booklet... explains how bonds are underwritten and protected and gives complete details. Send today.

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### THE NATIONAL CALENDAR Perpetual Daily Date

About one thing you know for sure, the National will surely keep ten years of dates with treatment for, without renewal or repair. The price is low, at all events, each year not more than thirty cents; moreover, what is plain and clear, it's worth \$2.00 every year. Send \$2.00 for a beautiful 1924 & 1925 pictorial design. It comes an advertisement. Money back if not pleased.  
A. J. McDADE, 62 Park Row, New York

## Recent Federal Trade Cases

*Advertising of Correspondence School of Drafting Misrepresented Courses, Commission Contends, and Issues Prohibitory Order Against Practices Alleged Unfair—Sixth Report on the Grain Trade Deals With Prices of Cash Grain and Grain "Futures" as Related to Various Factors of Supply and Demand.*

ADVERTISEMENTS of a Chicago correspondence school of drafting so impressed the Federal Trade Commission that it decided to try its own hand at drafting, with the result that it has drawn up a prohibitory order requiring the Chicago concern to discontinue practices which the Commission regards unfair.

In its investigation of the representations made by the school, the Commission found, it reports, that the school purported to teach mechanical and other forms of drafting and the trade of repairing automotive vehicles. In addition to the incorporated name, the officers of the concern cited in the order are alleged to have operated under the following designations: "Coyne School of Drafting," "Associated Drafting Engineers," and "Chicago Auto Shops." Under such designations, the findings state, the school's officers cited made, through newspapers and other periodical advertisements, circulars, and letters, many false and misleading statements in connection with the courses offered to the public.

Among the representations alleged by the Commission to be false were: That the school's courses fitted pupils for positions ranging from \$3,000 to \$10,000 a year; that only a common-school education was necessary to enroll in the courses; that the courses would qualify pupils as experts within one year; and that there was an especial demand for draftsmen trained by the school's courses of instruction.

Suits were threatened and fictitious legal papers were used by officers of the school, the Commission charges, in attempting to make collection from delinquent pupils. The officers cited by the Commission also advertised, it says, certain amounts represented to be the usual and regular prices of their courses of instruction, and offered a reduction within a limited time, when the reduced price was in fact the usual rate habitually charged for the courses.

The Commission's complete order reads as follows:

It is now ordered that the respondents... their officials, representatives, servants, and employees, do cease and desist from:

(a) Representing directly or indirectly, by advertisements, by circular letters, or otherwise,

1. That respondents can and will in a period of ten months or less, by a correspondence course qualify a pupil as an expert draftsman trained to fulfill the duties of an industry or profession;

2. That there is a demand for the services of persons trained by respondents' said course of instruction at high salaries;

3. That immediately upon the completion of respondents' said course of instruction in drafting by correspondence the pupil will obtain, or respondents will obtain for the pupil, a high and responsible position paying a salary ranging from \$200 to \$800 per month or from \$50 to \$150 per week;

4. That respondents will place pupils in positions paying the rates of salary mentioned in (3) above, or in the alternative will return the pupil's money, unless and until respondent in good faith so perform;

5. That respondents legally guarantee to their pupils either satisfaction of the said pupils in accordance with the said promises, or the return of the money paid by said pupils, unless and until respondents do furnish such legal guarantee;

6. That the pupil can become an expert draftsman in ten months or less by taking the respondents' said course of correspondence lessons even though the said pupils have only common or ordinary school education;

7. That there exists a powerful associa-

tion of drafting engineers engaged in the practice of their profession and that the said association is offering a course of instruction through the said respondents;

8. That respondent C. E. Wesch is "Chief of Staff" of any such purported association mentioned in (7) above;

9. That there is an association of drafting engineers engaged in the practice of their profession who offer pupils assistance and advice through the said respondents and which will, after the pupil has finished the said course, use its influence to secure for the pupil employment at a large and lucrative salary or at all;

10. That there is a large business enterprise called the "Chicago Auto Shops" or otherwise which is actively engaged in the repair of automotive vehicles, which conducts this business in a large and well-equipped repair shop, and which is offering a course of instruction by correspondence through the said respondent as a part of the said business enterprise;

11. That any person, regardless of age or the amount of schooling or education he has had, can and will within the period of one year be qualified as an expert in all matters pertaining to the repair of automotive vehicles by taking the correspondence course therein offered by the said respondents;

12. That pupils who take respondents' said course of instruction in the repair of automotive vehicles are generally able to secure positions as superintendents or other executive officers at salaries ranging from \$75 to \$200 per week and from \$3,000 to \$10,000 per year.

13. That there is a great demand for persons who have completed respondents' said correspondence course in automotive repair.

14. That respondents will place those who have completed their courses as aforesaid in positions which will pay the rate of salaries mentioned in (12) above;

15. That if for any reason the pupil is not satisfied with respondents' said course in automotive repair, respondent will refund to the pupil all money paid by him, unless and until respondents do so in good faith perform;

(b) Representing directly or indirectly, by advertising, by circular letter, or otherwise, that the said courses of instruction offered by respondent usually and regularly are given for a certain amount, but that by special rate pupils will be allowed to take the courses for a smaller amount, thus making a substantial saving, when in fact the said smaller amount is the regular and usual rate paid for the said course by pupils;

(c) Representing directly or indirectly, by advertisements, circular letters, or otherwise, that respondents will give free to pupils taking the said courses offered by respondents certain valuable tools, appliances and supplies necessary to the prosecution of the said courses of study, when in fact the said tools, appliances, and supplies are not given free, but are charged for and the amount is included in the price paid by the said pupils for the said courses of instruction;

(d) Using for the purpose of collecting payment for the said courses letters purporting to be sent from a collection agency, but which are actually sent from respondents' own offices;

(e) Sending to pupils who have failed to pay the sum alleged by respondents to be due for the said courses of instruction, notices, summons, and other like documents, purporting on their faces to be legal documents having to do



# Introducing INDRIO Florida



Indrio's proposed master plan, showing the Indian River and beyond to the Atlantic Ocean.

WHICH MAY AND NATURE WILL COMBINE TO MAKE

## America's Most Beautiful Home Town

PICTURE a pine and palm clad slope on Florida's sun-drenched East Coast—just 60 miles north of Palm Beach on the Dixie Highway and Florida East Coast Railway. From its crest one looks down on the lovely Indian River, a stretch of shimmering sea water separated from the Atlantic Ocean only by a narrow strip of tropical jungle land.

Game fish abound in these nearby waters and wild fowl are plentiful in season. Sandy beaches and a rolling surf bring joy to the heart of the bather. In summer cool breezes sweep in from the sea, while winter days are made balmy by the genial

Gulf Stream. (Such is the setting of Indrio, destined to become America's most beautiful home town. Here midst the splendor of Florida sky and verdure, is being planned a residential community to charm the most critical eye.

## A Masterpiece of Civic Planning

Indrio is the vision of men of large affairs, who command the financial resources and artistic genius necessary to insure its realization. Famous architects and landscape gardeners have been retained to make Indrio a civic masterpiece.

Already parks, plazas and boulevards are being laid out with an unrestrained hand. These latter range from 100 to 200 feet in width, and will be generously planted with huge fringed palms.

Architectural unity will be assured by the adoption of the appropriate Mediterranean type of architecture as standard. No resi-

dence lot will be less than 100 feet wide.

Indrio's proposed improvements include a million dollar hotel, bathing casino, pleasure and boat piers, yacht harbor, tennis and roque courts, bridge paths, and an 18-hole golf course.

To you who have tired of the ugliness and climatic discomforts of northern cities, Indrio will be a haven indeed. Here you can live amid beautiful surroundings in a climate unsurpassed in all the world.

An elaborately illustrated folder describing Indrio will gladly be sent on request.



### PHELPS-HENDRICKSON COMPANY

Exclusive Selling Agents for EAST COAST DEVELOPMENT COMPANY  
JOHN I. BEGG, President

Box N-42, INDRIO, Florida

PHELPS-HENDRICKSON CO.  
Box N-22, Indrio, Florida

Gentlemen: Please send me your illustrated folder describing Indrio.

Name \_\_\_\_\_

Address \_\_\_\_\_

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When writing to PHELPS-HENDRICKSON COMPANY please mention Nation's Business



# Have You a Sales or Cost Problem on the Pacific Coast?

**W**ITHOUT changing your business plan or policy, it may be possible for you to utilize the distributing service successfully employed by three nationally known manufacturers. This would enable you to travel the ten Western States and Hawaii regularly and bring trained sales direction and effort to your selling campaign at a reasonable cost and free of all detail.

Your campaign would be conducted as a distinct unit, maintaining your identity and individuality even to the stationery. This service includes receiving, shipping, warehousing, selling, dealer's advertising, window trimming, collection for all sales and discounting them to you monthly.

Thirty-four years of successful experience and records giving contacts with wholesale and retail drug, hardware, jewelry, stationery, sporting goods, and general store trade, is at your command.

We have not added a new campaign for three years and are now prepared to serve another established manufacturer. We realize that a connection of this character requires careful consideration. We will be glad to correspond regarding details.

## The GEO. H. EBERHARD CO.

[INCORPORATED 1891]

### Selling Agents

360-370 FREMONT STREET

### SAN FRANCISCO

Division Headquarters

LOS ANGELES • SEATTLE • SPOKANE • PORTLAND

BUTTE • SALT LAKE CITY • EL PASO

FRESNO • HONOLULU

with the collection of the said sums but which are in fact fictitious and not legal documents, and are prepared by respondents themselves;

(f) Using or employing any other false and fictitious forms, documents or letter heads, or making threats of suit, for the purpose of collecting alleged delinquent accounts, except that respondents may in good faith take such steps as may be necessary to collect amounts which they consider to be legally due to them for services rendered;

(g) Using and employing the name "Associated Drafting Engineers" as a trade name for the business of conducting a correspondence course in drafting; or using and employing any similar name likewise suggesting that the course is offered by an association of drafting engineers;

(h) Using and employing the name "Chicago Auto Shops" as a trade name for the business of conducting a correspondence course in the repair of automotive vehicles; or using and employing any similar name likewise suggesting that the course is being offered as part of a business of repairing automotive vehicles.

**I**N ANNOUNCING its sixth report on the grain trade, the Commission asserts that detailed statistical analysis of cash and future price movements during several years yields no convincing evidence that trading in "futures" operates to stabilize prices. The data studied by the Commission do not indicate, it says, that future prices are especially stable, and the technical conditions of future trading seem to the Commission to cause some fluctuations in prices that would not otherwise occur.

Cash wheat prices are more stable than the prices of cash corn, rye, barley and oats, and the wheat harvest is also less variable from year to year, according to the Commission's analysis. The prices of different grains do not show generally a close correspondence in their year-to-year changes, the Commission finds. The general supposition that the demand for grains is inelastic—a considerable increase or decrease in supply causing a marked change in price, rather than a prompt change in the rate of consumption—is confirmed, the Commission says, by the application of statistical tests for the thirty years ended with 1916—a price tendency indicating, the Commission believes, that conditions relating to supply are more decisive than those relating to demand.

Of "futures" and trading in "futures," the Commission says:

Considerable significance is sometimes attached to the question whether cash prices lead future prices, or the futures cash, on the theory that one market influences or controls the movement of the other. The statistical evidence available relates only to priority of price changes from day to day. So far as this answers the question it gives a divided verdict, but with leadership preponderating for cash prices.

As between terminal markets in this country, the price changes of futures more often occur first in the Chicago market, but as between Chicago and Liverpool, the Liverpool market leads.

One of the most important and significant facts statistically demonstrated is the downward bias of the future market. An extensive comparison of price data for various grains and options over many years shows that, on the average, there is a definite tendency for the future price in the earlier months of trading (perhaps nine months ahead of delivery) to fall short of the price subsequently attained just before or during the month of delivery. In other words, the tendency of the future price is to understate the ultimate price. This is true merely in a large majority, but by no means in all, of the instances dealt with.

This bias of the futures market in the direction of low prices is in part explained by the weight of selling hedges during the heavy marketing season. But the prevalence of undue discounts, or the downward bias of forecasts, at other seasons (as for example, for wheat in the spring before the opening of the new crop year, when trades of hedges are more



## The Modern Paint for the Modern Plant



Then



Now

**"The diffusion of light is now so even that we are not obliged to burn an electric light in our plant during daylight hours"**

**A**LUMINUM PAINT has introduced this economy into the plant of the Mutual Electric and Machine Company of Detroit. It can bring these—and many others—to your plant.

Outdoors, too, Aluminum Paint holds the key to many new economies.

Aluminum Paint protects surfaces of wood, metal and concrete as no other paint can protect them. For only Aluminum Paint protects upon the new principle—"leafing".

The thin flakes of pure metallic aluminum (Aluminum Powder) which form the pigment "leaf" together when the Paint is applied. They produce a smooth, continuous coat that stubbornly

resists deterioration, rust and weather.

In addition to its greater protection—Aluminum Paint gives a lastingly crisp, clean appearance wherever it is used.

Yet—first and last—Aluminum Paint costs no more than ordinary paints. Its initial cost is no greater than that of any first class industrial paint—and it protects longer.

Read the "Brief Facts About Aluminum Paint" in the panel below. Compare these facts with what you know of other paints.

Then write for the illustrated booklet—"Aluminum Paint." It gives the complete facts in an interesting, understandable way.

### Brief Facts About Aluminum Paint

- consists of Aluminum Bronze Powder mixed with a suitable vehicle of oil or varnish.
- 500-700 square feet coverage per gallon.
- one coat completely hides any other color.
- not readily stained by soot, smoke, fumes, gases or salt air.
- on walls reflects a good working light.
- protects exposed surfaces longer and better than ordinary paints.
- costs no more—first or last.
- "It Leaf's".

## Aluminum Paint

Aluminum Company of America  
2404 Oliver Building Pittsburgh, Pa.

Offices in Eighteen Principal American Cities



## Aluminum in Every Commercial Form





## Imagine This Hotel In YOUR Town!

Modern, even metropolitan in appointments and service, such a hotel brings fame and good-will to any community.

Yet, such a hotel is possible in even the smaller cities—we've financed upward to a hundred the country over!

—not only possible, but capable of earning a satisfactory income on the investment.

Does your town need more modern hotel facilities? The **FINANCIALIST**, a monthly journal devoted to hotel finance, will be sent gratis. Ask to have your name placed on our complimentary civic list "C-11"—there's no obligation entailed.

The **HOCKENBURY SYSTEM, Inc.**  
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## Small Drop Forgings

Forged and Trimmed  
Only or Machined  
Complete

Modern Heat Treating  
Facilities For All  
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### Also

Carriage Bolts	Elevator Bolts
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Wrought Washers	Small Rivets
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The  
**Columbus Bolt Works Co.**

Columbus, Ohio

QUALITY

SERVICE

## The Mayflower



Washington's  
Palatial New Hotel

Home of Leaders in  
Statecraft, Diplomacy,  
Finance and Industry

Business and professional men will find here the acme of luxury and comfort, at rates no higher than at less finely appointed hotels.

Four Short Blocks  
from  
U. S. Chamber of Commerce  
on  
Connecticut Avenue  
Seventeenth and De Sales Streets

likely to be on the buying side) must be attributed to causes other than hedging pressure. The character of recent professional speculation is suggested as one of these factors. This bias of the futures market operates especially to depress unduly the next-crop options. The downward bias of the futures market in large part explains the tendency of the future price to be at a discount below the cash price.

Owing to the tendency of the futures to be at a discount, the risk on hedge sales (which constitute the bulk of hedges) is considerable. Cash and futures must come approximately together in the delivery month. If owing to the downward bias of the future the hedge sale of the future must be made at a discount below the cash price, the tendency referred to is much more likely to result in loss than if the bias were in the opposite direction. This, in any case, operates to make the hedge unduly costly and may, if the discounts are sufficiently large, render the future practically worthless as a hedge.

The correct use of the futures market for the purpose of protection against loss is, in consequence, not so simple a matter as the advocate of future trading ordinarily assumes. Hedging must, therefore, be done skilfully or else it contains risks to the user of the futures for this purpose that are often almost as great as the risks incurred in abstaining from the practice of hedging altogether, at least as regards the country grain dealer, in view of alternative methods open to him, particularly "to arrive" and "on track" bids.

## The Distributor Gets 43.2 Cents of Your Dollar

AN INTERESTING review has been made recently by Niles & Niles, certified public accountants of New York City, of statistics relative to cost of merchandise distribution.

The figures are taken from 77 different publications—government, university, trade organization, etc.—and comprehend all printed statistics on the subject.

Statistics for 15 classes of merchandise show how much of the consumer's dollar goes to the producer and how much to the machinery of distribution:

Classes of merchandise	Producer cents	Distributor cents
Clothing.....	67.5	32.5
Drugs.....	54.6	45.4
Electrical supplies.....	53.0	47.0
Furniture.....	56.4	43.6
Hardware.....	58.0	42.0
Jewelry.....	60.0	40.0
Shoes.....	55.2	44.8
Average of seven classes..	57.8	42.2
Dairy products.....	73.0	27.0
Fruits and vegetables.....	50.3	49.7
Groceries.....	72.0	28.0
Meats.....	70.8	29.2
Average of eleven classes..	58.6	41.4
Automobiles.....	73.0	27.0
Coal.....	44.4	55.6
Dental supplies.....	73.0	27.0
Lumber.....	45.4	54.6
Average of fifteen classes	58.7	41.3

The review deals with rate of turnover as a cost source, the expensiveness of firing and hiring, and also points out that fluctuations in production and in manufacturing employments show a marked parallelism.

Two results appear conspicuously from the study: First, that a reduction of the average inventory which will increase the rate of turnover will bring about a reduction of the cost of distribution; and second, that a more nearly uniform rate of production, which will minimize fluctuations in employment and reduce the inefficiency and expense incident to these fluctuations, will reduce the cost of production. Either of these results will, without reducing the respective profits of the producer, wholesaler and retailer, give greater purchasing power to the consumer's dollar.



## News of Organized Business

**H**OUSE-TO-HOUSE selling, having become permanently established in the distribution system, is under close watch by business men for signs of probable future development, according to Alvin E. Dodd, manager of the Domestic Distribution Department of the United States Chamber of Commerce.

Speaking at New York before the National Council of the Traveling Salesmen's Association, Mr. Dodd said the indications were that house-to-house selling likely would be specialized in some fields and that other fields would be left to the local retailer.

"Regardless of which side of the controversy we favor—the local retailer or the house-to-house salesman—business men," said Mr. Dodd, "just now are deeply interested in finding out what the probable future development is going to be; although the house-to-house method, largely in the form of the old-fashioned peddler, was originally sporadic and apparently accidental, it is now seemingly of a permanent character. Pretty near everything which can be bought or sold, including cemetery lots, is sold by this method—although by no means with equal success in all lines."

He presented the two points of view regarding house-to-house selling:

First, that which contends that direct selling grew out of the surplus of goods resulting from production speeded up during the War, which it was necessary to move through new retail selling outlets.

According to this point of view, the high peak of house-to-house selling has been passed and the method will gradually decrease in importance. Contributing to this end is the disinclination of the housewife to answer her doorbell several times a day to talk to an ever-increasing number of canvassers.

The other point of view contends that the housewife is favorably disposed toward the house-to-house canvasser because he performs a service which the local retailer does not. It contends also that the decision of the Supreme Court in the Real Silk Hosiery Case has definitely legitimized direct selling when honestly carried on. The difficulty of securing the attention of the busy housewife has been minimized by advertisements in national magazines by which consumer demand has been cultivated.

Mr. Dodd emphasized the strategic position of the traveling salesman in his relations with the retail storekeeper on whom he calls. "The storekeeper," he said,

looks on the salesman either with suspicion, or else as a valued friend whose counsel may be relied on. The salesman who has won the confidence of his customers is in position to help them improve their merchandising methods and to turn their stock more rapidly. This is a service to which manufacturers and wholesalers are giving more and more organized attention.

The salesman is, of course, able to give his sales manager a report on the soundness of the customers' credit, but such a report is not enough. A salesman should, and often does, report fully on what kind of a merchandising job the customer is doing, whether his store is clean, his clerks courteous, his stock well chosen and displayed, his bookkeeping accurate. By making and reporting such observations as these, traveling salesmen may add information of great value in its bearing on credit rating. This is especially true when retailers are aware of this surveillance.

### A National Better Business Bureau

**W**ITH THE election of officers of the new National Better Business Bureau, Inc., in New York City, the Truth-in-Advertising movement, sponsored by the Advertising Associated Clubs of the World, has entered a new field of usefulness. The new bureau supplants the National Vigilance Committee of the Associated Advertising Clubs, which has campaigned against

# Firestone

## will ALWAYS give Most Miles per Dollar

No matter where crude rubber prices may go—Firestone advantages in securing raw material, in manufacturing and distribution are always active to make good the pledge of Most Miles per Dollar.

Gum-Dipped Cords are meeting today's difficult operating conditions—heavy loads—high sustained speeds over long distances—bigger commercial vehicles. Their wonderful mileage records are reducing the daily operating costs of truck and bus operators everywhere, and of hundreds of thousands of motorists.

Gum-Dipping is one of the biggest factors in tire performance, making Firestone Gum-Dipped Tires the most economical ever offered car owners. Cord from fabric mills is first delivered to a separate plant where it is treated in a solution of gum, which insulates every fiber of every cord. This extra process minimizes internal friction and heat and gives the sidewalls greater flexibility and strength.

Prove Firestone's many superiorities for yourself. Go to the nearest Firestone Dealer—Only Firestone builds Gum-Dipped Cords.

**MOST MILES PER DOLLAR**



AMERICANS SHOULD PRODUCE THEIR OWN RUBBER. *J.B. Firestone*

## 10,000 LITHOGRAPHED LETTERHEADS

Unusual, Distinctive, Attention-Compelling, Beautifully Lithographed on High Grade Bond Paper

**Introductory Price**

**\$62.50**

Do not let your high-class business be represented by shabby letterheads. One of our sketches will convince you that Strength and Character in letterheads help build GOOD-WILL. Our service is without obligation to you. Write today—on your letterhead—and leave the rest to us!

**KOKOMO LITHOGRAPHIC COMPANY**  
KOKOMO, INDIANA

## The Man Who Sells

By RALPH CORBETT



Six newspapers and four magazines, including SYNTHEM, have called "The Man Who Sells" (written by a sales manager directing 115 men) the year's best selling help for salesmen.

Send \$2.50 for a sample copy and write for quantity discounts on 10 copies and over. Write today.

Franklin Publishing Company  
337-Fourth Avenue,  
New York

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The forward-looking man builds up two incomes—one from his business or profession, one from his bond investments. If he has been wisely investing his surplus, he will have an income from his securities to fall back upon should his business income fall off at times. The more carefully he has invested, the more dependable this income.

Our offices in fifty leading cities are ready to help you build a second income through well-secured bonds.

### The National City Company

National City Bank Building, New York

BONDS - ACCEPTANCES  
SHORT TERM NOTES



Offices in more than 50 leading  
cities throughout the world

## Cut Folding Costs 90%

### Baum Folders

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Philadelphia

### CORNELL & COMPANY

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waste in advertising for the last thirteen years. The president of the bureau is Lou E. Holland, head of the Holland Engraving Company, Kansas City, Missouri, and retiring president of the Associated Advertising Clubs. Other officers are Lewis Harriman, head of the Fidelity Trust Company, Buffalo, vice-president; and Jesse H. Neal, secretary-treasurer of the Associated Advertising Clubs, New York, secretary-treasurer. Edward L. Greene, former special representative of the Associated Advertising Clubs, is the manager of the bureau.

In a statement issued in connection with his acceptance of the presidency of the bureau, Mr. Holland said:

The movement, under the direction of the old National Vigilance Committee, conclusively proved its value to legitimate business and the public. With the work of that committee as a foundation on which to build, we are now in a position to expand along new lines and to draw closer the line of protection against fraudulent and deceptive business practice.

Under the name "National Better Business Bureau" we can coordinate more effectively the work of the local Better Business Bureaus in forty-three cities.

Many people have found it difficult to understand why the name "Vigilance" should be applied to our national organization and the name "Bureau" to the local units. Now we have a common name, the national bureau patrolling the field of national advertising and merchandising and the local bureaus doing the same type of work in the local fields.

The local bureaus will continue to function under their own boards of directors, but the movement as a whole will be able to present a solid front, particularly now that the bureaus are represented on the national board, where their representatives can get a better close-up picture of nation-wide problems concerning fraud and deceptive business practice.

#### Agriculture Interests Selma

A PLAN for the utilization of the agricultural resources of Dallas County, Alabama, made by the county farm bureau and applied through the chamber at Selma, the county seat, has been the means to higher productivity of the farms of white and negro farmers, attraction of new farmers to the county, and to closer relations between the business and agricultural interests of the county.

The chamber believed that a campaign of self-help directed to intensive use of the farm land would be better for the people of the county than to invite factories, capital, and industrial development from outside the county. An analysis of the agricultural needs of the county was made and a plan was prepared to develop the rural life of the county. In order to keep in close harmony with the farmers and to get their full cooperation the chamber asked the county farm bureau to appoint a committee of three farmers to collaborate with the agricultural committee of the chamber in making the plan.

Provision was made for the chamber to employ two agricultural experts to be selected by the State Extension Service, which has its headquarters at Auburn. These men are directed by the county agent, and to expedite the work of this staff the county is divided into three districts. Included in the plan is a stimulating recognition of the work of negro farmers. Cash prizes for them, amounting to \$900, are awarded at the end of the crop year, each of the three agricultural districts receiving \$300. Meetings for negro farmers, with talks by leaders in agriculture, are to be held in rural communities.

Another important provision of the plan is for the holding of a fair at Selma, with agricultural displays in store windows and a program of entertainment.

Several thousand acres of fine land are held under option by the chamber for division into tracts of 120 to 300 acres. Railroads have cooperated with the chamber in advertising the opportunities for home seekers, and the chamber expects a considerable response when crops in the north and the middle west are in. The prospects



## THE INEVITABLE TYPEWRITER IS HERE



### MODERN BUSINESS EFFICIENCY DEMANDS IT

NO longer is it necessary to endure that thought-disturbing, nerve-racking tap-tap-tap of the typewriter. The New Model 6 Remington-Noiseless has solved that problem for all time. It is the only noiseless writing machine.

This new machine has the complete four-row standard keyboard—the keyboard with which all operators are familiar.

It has the light, natural touch which is universally desired by operators. Its action is surpassingly easy, which

insures a great volume of work. And its work is beautiful—worthy of any user's signature.

Business efficiency demands noiseless typewriting; comfort demands it; human nerves demand it; health demands it. And the new Remington-Noiseless No. 6 is the complete answer to this demand. From the standpoint of efficiency—in fairness to your employees and yourself—you should investigate this new machine. We shall gladly place a New Remington-Noiseless Model 6 in your office for examination without any obligation to you.

REMINGTON TYPEWRITER COMPANY, 374 Broadway, New York—Branches Everywhere  
Remington Typewriter Company of Canada, Limited, 48 King Street West, Toronto

# NEW Remington-Noiseless

WITH FOUR-ROW STANDARD KEYBOARD

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## Put in a North America Coupon, too

IT costs but a few cents to insure your parcel post packages. It would cost so much more to replace them, if lost, damaged or destroyed en route.

Mail the attached memorandum for information about North America Parcel Post Insurance and rates. A coupon in every package insures automatically.

## Insurance Company of North America PHILADELPHIA

"The Oldest American Fire and Marine Insurance Company"

Insurance Company of North America  
Third and Walnut Streets  
Philadelphia, Pa., Dept. N-11

Name \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

Wants information on Parcel Post Insurance

for cotton and all feed and food crops are the brightest in many years.

The plan has drawn the farmers and the business men of Dallas County into a productive and profitable cooperation for the solution of their common problems, and in this cooperation the State Extension Service and the Alabama Farm Federation have been of invaluable assistance.

—H. H. FRASIER

### Chamber Has Aviation Committee

IN RECOGNITION of the increasing importance of civil and military aviation to San Francisco and the Pacific Coast, Clay Miller, president of the San Francisco chamber, has announced the appointment of a Committee on Aerial Affairs, with Capt. C. W. Saunders of the Matson Navigation Company as chairman.

The work of the committee, as explained by Mr. Miller, will be the consideration of all problems which relate to transportation by air, and meetings will be held when questions requiring action arise.

In addition to Captain Saunders, the committee includes: Capt. Reginald R. Belknap, U. S. N. Dr. Sterling Bunnell, George R. Gay, Col. F. P. Lahm, Air Officer of the Ninth Corps Area, Phillip S. Teller, and Lieut. Col. Roy C. Ward.

### Trend of Workmen's Compensation

TRENDENCIES in legislation providing for workmen's compensation are discussed in Insurance Bulletin No. 18, prepared by the Insurance Department of the Chamber of Commerce of the United States from the "Digest of Workmen's Compensation Laws" issued by the National Bureau of Casualty and Surety Underwriters.

The general trend throughout this legislation, the Department says, is to extend the employments covered and to increase the payments made. That the indicated trend is important is suggested by the spread of the workmen's compensation system—it is now in operation in 42 states and 3 territories, is compulsory and exclusive for some employments in 27 states, and 2 territories, and is elective, technically at least, in 30 states and 1 territory.

Topical divisions of the bulletin include: Persons and industries covered, compensation for death, permanent total disability, permanent partial disability, temporary total disability, temporary partial disability, waiting period, medical aid, and occupational diseases.

A comprehensive tabular view of provisions of the laws of the several states gives the bulletin usefulness as a reference.

Copies of Bulletin No. 18 are obtainable on application to the Insurance Department of the National Chamber.

### New Home for Indianapolis Chamber

ARRANGEMENTS have been made by the Indianapolis chamber to occupy the tenth floor and part of the ninth floor of the new ten-story building to be built at 316-320 North Meridian street. With a frontage of 85 feet and a depth of 193 feet, the building will overlook University Park, which forms the southernmost part of the war-memorial plaza project.

By the terms of the lease contract accepted by the chamber from the building company, the chamber may buy the new building within a period of fifteen years.

### New England Men Make Long Tour

A 31-DAY, coast-to-coast tour made by New England business men provided an enjoyable vacation with an opportunity to obtain first-hand knowledge of the commerce and industries of other regions. The tour was made under the auspices of the state chambers of New Hampshire, Vermont, Massachusetts and Connecticut, and included cities in the Middle West, West, and South.

### Bulletins Win Insurance Support

THAT PERSISTENT and intelligent publicity is effective is convincingly illustrated through the bulletin service of the Michigan

## Life Insurance to Protect Your Business

Just the same as fire insurance.

For individuals, partnerships and corporations.

All forms to protect all kinds of contingencies.

Think it over and send for our booklet, "Business Life Insurance for Executives."

*John Hancock*  
LIFE INSURANCE COMPANY  
OF BOSTON, MASSACHUSETTS

A STRONG COMPANY Over Sixty Years in Business. Liberal as to Contract, Safe and Secure in Every Way.

# FREE

140-page Book full of life-size ruled forms, each one completely filled in. The answer to problems of accounting and to record keeping for any business or profession.

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John C. Moore Corporation  
(Established 1839)  
3031 Stone St., Rochester, N. Y.

## MOORE'S LOOSE LEAF SYSTEMS

In Use In More Than 300,000 Offices



Association of Insurance Agents, directed by its executive secretary, George Brown of Detroit.

Mr. Brown got the idea of issuing educational bulletins on insurance when serving in the Michigan legislature. He was amazed, he writes, to learn "how little the public generally and the legislators in particular knew about insurance." Most men, he found, were unfriendly to stock-company insurance and the more insurance they carried the more unfriendly they were.

To combat that unfriendliness Mr. Brown planned a semi-monthly, one-page bulletin service. The bulletins present selections from statements of men in public life against federal, state, and municipal ownership and management of all industries affected with a public interest, and avoid as far as possible the quoting of insurance authorities. Of the results of this bulletin service, Mr. Brown writes:

The bulletins have been distributed by two hundred of the most active and reputable insurance agencies throughout the state among business and professional men and industrial workers. The members of the legislature are also on the mailing list. The circulation runs 300,000 a year, and the best evidence of the success of the publicity rests on the fact that not one unfriendly or hampering bill went over in the 1925 legislature session, illustrating the oft-made statement that the American public mind is always open to argument and safe and sane when the question comes to a show down, but full of fight when any corporation cries "The public be damned!"

#### Plans for Collecting Dues

OF THE sixteen large chambers of commerce that explained their dues-billing practices in response to a request of the Organization Service Bureau of the National Chamber, six reported that they bill dues from the date of acceptance of memberships; five pro-rate dues either the first or the second year so that all dues eventually fall due the first of the fiscal year; and five have either semi-annual or quarterly billing dates and the year's dues or the quarterly dues of members are made to fall due on one or the other of these billing dates.

Of the sixteen smaller chambers of commerce which replied, three bill dues from the date of acceptance of memberships; eight pro-rate dues the first of the year, so that all dues eventually fall due the first of the fiscal year; five have either semi-annual or quarterly billing dates and the year's dues or the quarterly dues of members are made to fall due on one or the other of these billing dates.

Secretaries who find it desirable to pro-rate dues so that eventually all dues will be due the first of the fiscal year may avoid the disadvantage of having a new member pay only a part of the year's dues by adopting the plan used by the Boston, New Bedford, and Trenton chambers, the Bureau explains. A new member joining any one of these chambers pays the full year's dues, but their practices are somewhat different.

One plan is to send the new member a bill for the whole year, deducting the amount which he has paid in advance for that year. Another plan is to send a bill at the end of the first dues year, with a letter which explains the adjustment of the account to the end of the chamber's fiscal year. When the time comes for the next bill, it would note the full amount of the year's dues payable at the regular time for old members.

#### Yearbooks of Chambers Abroad

AMERICAN chambers of commerce in London, Paris, Berlin and Milan have just issued yearbooks and directories for the benefit of American traders and travelers.

"The Anglo-American Year Book," 1925, 556 pages is published by the American Chamber of Commerce in London, Inc., Aldwych House, Aldwych, W. C. 2, London, and may be purchased from that organization for \$4.00. This publication includes a residential directory of Americans in England; a list of the members of the American Chamber of Commerce in London; a commercial directory with a separate classified section; an

## JIMMY lets 'em

"TALK about thrills!" said Jimmy Warren, as he dropped his bag in the chief's office at the YPS plant. "I never got a much bigger kick out of anything than I did yesterday when I tossed that pressed steel signal assembly out of the window."

"Tossed it out of the window?" exclaimed the chief. "What do you mean? What was the matter with it?"

"Not a thing," Jimmy replied. "Not a thing in the world. But I had to drop it out of the window before I could convince the Griswold Safety Signal people there wasn't. I'll tell you about it. Sounds like fiction, but it's the gospel truth."

"As soon as I got in Minneapolis I went right out to the Griswold plant and your sample parts for that redesigned traffic signal post were there. They'd already looked them over and didn't think much of them. The fact that they'd save about seventy-five percent in production cost by using this pressed steel assembly was fine. But they were sure we hadn't designed a post that would be strong enough. Too flimsy! Wouldn't stand the racket! Go all to pieces if an auto hit one of 'em!"

"I saw I had a job on my hands to prove that those six light pieces of pressed steel would successfully re-



## Drop

place the nineteen heavy parts in the post they'd been building—all those heavy milled steel shafts and machined steel plates, you know. So I suggested we put on a little test.

"Let's just see how this post of ours behaves when it gets a real jolt," I said. "A drop from a third story window onto something hard ought to show whether or not it's any good. That appealed to them, so I bolted our YPS post together and they found a window about twenty-five feet up. Below it we laid some six-inch iron pipe for the post to land on."

"When everything was ready I shoved the assembly out and let it go! She hit with a bang, bounced a couple of times and, bless you! There she lay as good as ever!"

"Well, they thought maybe that was luck. So we took it back and dropped it again—and again—just about all morning long."

"When they were satisfied we gathered 'round and examined that pressed steel signal post. Outside of a couple of pretty bad dents it was as good as ever. That settled it. Here's their order."

"But, believe me, the punishment this pressed steel can stand is something awful, Jack, something awful!"



**Adventures in Redesign**—This little book offers interesting and profitable reading if you are manufacturing products now made up of cast-metal parts.

It relates many remarkable instances wherein "pressing from steel instead" has reduced weight, increased strength and vastly improved the character of products for almost every branch of industry. Ask your secretary to mail this coupon today.

THE YOUNGSTOWN PRESSED STEEL CO., Warren, Ohio  
"Pioneers in Pressed Steel Redesignment"



The Youngstown Pressed Steel Co., Warren, Ohio

Please send me a free copy of "Adventures in Redesign."

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NE 11-23



# Order

## A Text for Every Business Executive

"What comfort, what strength, what economy there is in order—material order, intellectual order, moral order. To know where one is going and what one wishes—this is order; to keep one's word and one's engagements—again order; to have everything ready under one's hand, to be able to dispose of all one's forces, and to have all one's means of whatever kind under command—still order; to discipline one's habits, one's effort, one's wishes; to organize one's life, to distribute one's time, to take the measure of one's duties and make one's rights respected; to employ one's capital and resources, one's talent and one's chances profitably—all this belongs to and is included in the word order. Order means light and peace, inward liberty and free command over one's self; order is power. Aesthetic and moral beauty consist, the first in a true perception of order, and the second in submission to it, and in the realization of it, by, in, and around one's self. Order is man's greatest need and his true well-being."

As true today as when Henri Amiel, the great Swiss philosopher, wrote it for his *Journal Intime*, seventy years ago!

Order is the greatest need of business. It is the slogan, and the inspiration, of every progressive accountant. To establish it in all departments is to set the scene for assured success.

## ERNST & ERNST

AUDITS — SYSTEMS

TAX SERVICE

NEW YORK	CLEVELAND	DETROIT	MINNEAPOLIS	LOS ANGELES
BUFFALO	CINCINNATI	GRAND RAPIDS	ST. PAUL	ATLANTA
ROCHESTER	TOLEDO	KALAMAZOO	DAVENPORT	JACKSON
BOSTON	COLUMBUS	PITTSBURGH	INDIANAPOLIS	NEW ORLEANS
PROVIDENCE	YOUNGSTOWN	WHEELING	ST. LOUIS	DALLAS
PHILADELPHIA	AKRON	ERIE	KANSAS CITY	HOUSTON
BALTIMORE	CANTON	CHICAGO	OMAHA	FORT WORTH
WASHINGTON	DAYTON	MILWAUKEE	DENVER	SAN ANTONIO
RICHMOND	LOUISVILLE	MEMPHIS	SAN FRANCISCO	WACO

American and Anglo-American "Who's Who" in Great Britain and Ireland; information about American institutions and organizations in England; and general information of use to American traders or visitors.

"Americans in France" is published by the American Chamber of Commerce in France, Inc., 32 Rue Taitbout, Paris 9E, France, and is on sale by that organization, and by Paris book stores. The price is 35 francs net, if bound in pegamoid, and 50 francs net, if bound in leather. This 715-page directory gives a list of Americans resident in France, with home, business and mail addresses; a classified professional and commercial list of individuals and concerns represented in France; a list of American members of the French Legion of Honor; and general information on American organizations active in France. Lists are also given of American officials and American clubs. For Paris, there is information about banks, churches, and travel bureaus.

"The 1924 Yearbook of the American Chamber of Commerce for Italy," 186 pages, is published at the anniversary number celebrating the tenth year of this American Chamber, established at Via Bocchetto 3, Milan, Italy. In addition to information about the Chamber itself, the book includes special articles by Americans and Italians on Italian industry, commerce and travel. It also contains a list of the members of the American Chamber of Commerce for Italy, with name and address, cable address and nature of business. Copies of the Year Book have been received by the Chamber of Commerce of the United States and will be sold for \$1.00 each. Checks should be drawn to the order of the American Chamber of Commerce for Italy.

"The American Buyers' Guide," 1924-1925, 200 pages, published by the American Chamber of Commerce in Germany, Friedrichstrasse 59-60, Berlin W. 8, is a compilation of handbook information and a list of sources of supply for American buyers of Central European merchandise, the sources being confined to the membership of the Chamber. There is a classified section of German exporters and a classified section of German importers, many of the latter being branch houses of American concerns.

## Virginians Say It With Figures

VIRGINIANS and those who want to know how much business Virginians do are to be informed of the tonnage moving through Hampton Roads to Central American and to South American countries. At the suggestion of the Virginia State Chamber of Commerce, the Hampton Roads Maritime Exchange at Norfolk is compiling figures on the various commodities exported to Latin America.

The report for the first six months of 1925 shows that coal, tobacco, cotton cloth and paper and paper products were the principal commodities exported. Agricultural machinery, oil, automobile accessories and parts were also conspicuous in this export trade.

During the first six months of 1925, the exports of coal amounted to 596,226 tons; tobacco, 119,771 pounds; paper and paper products, 116,023 pounds; cotton goods, 289,663 square yards; and grease, 85,761 gallons.

Argentina, the study shows, imported the largest quantities of goods in the six-month period. The Maritime Exchange will prepare similar statements semi-annually.

## Coming Business Conventions

Date	City	Organization
6.....	.....	United States Fire Companies Conference
10.....	Omaha.....	Farmers National Grain Dealers Association
10.....	San Antonio.....	Southwestern Ice Manufacturers Association
10-13	Los Angeles.....	National Association of Ice Industries
11-14	White Sulphur Springs.....	American Institute of Steel Construction
13.....	New York.....	American Marine Association, Inc.
17-19	Omaha.....	Mid-West Implement Dealers Association
18.....	New York.....	National Association of Leather Belting Manufacturers of the United States
23-26	Miami.....	Atlantic Deep-sea Waterways Association

## PATENTS

TRADE MARKS - DESIGNS  
FOREIGN PATENTS

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Associated since 1845 with the Scientific American  
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Books and Information on Patents and Trade Marks  
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## House Organs

We are the producers of some of the most successful house organs in the country. Edited, printed, and mailed in lots of 1000 and up at \$5 to \$15 cents per name per month. Write for copy of THE WILLIAM FEATHER MAGAZINE.

**The William Feather Company**  
611 Caxton Building 17 Cleveland, Ohio



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One of the richest and most responsive buying zones in the world, San Francisco is a market which no advertiser can afford to ignore. The key to this great buying zone is the newspaper that has grown up with the community and has been a recognized influence in it for



61 years—The San Francisco Chronicle.

The Chronicle is the newspaper of San Francisco in the same sense that the Times is the paper of New York. With The Chronicle, as with the Times, it is not so much a question of the percentage of people who take it as of the "make-up" of that percentage.

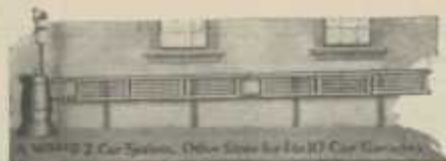
It is the household guide to the worth-while people of this region and they have come to depend upon it for accurate and reliable information.

When you advertise in The Chronicle you reach your prospects through a paper in which they have implicit confidence. What San Franciscans see in The Chronicle, they believe—and advertising shares in this prestige because of its sponsorship by this paper.

*You will find a gratifying response  
from the advertising you place in The*

## San Francisco Chronicle





## Drive In and Out of a Warm Garage All Winter

Save your car—save gas and oil. Enjoy the same comfort that thousands have had with their Wasco Systems for the past nine years. Because of the patented automatic regulation, no matter how cold the night, your garage is always warm—your car warm and dry, ready to start.

### WASCO—The Original Garage Heating System

**Self-Regulating Heater and System All Built**  
You only put on a little coal once a day. You don't touch the drafts. Our automatic regulator saves on coal and prevents costly freeze-ups. All cast iron hot water heating system. Any handy man can set it up as all parts come cut-to-fit. Not connected to city water.

#### Write for New Low Prices

Write today for catalogue. Give size of garage and ask us for new low price. WASCO made in all sizes at reduced prices.

**W. A. SCHLEIT MFG. CO., Inc.**  
442 Eastwood Station Syracuse, N. Y.

Prepare now and drive in comfort all winter.



Order Now for Prompt Delivery from Stock.

### How Your Firm Can Secure BETTER BUSINESS LETTERS

At your request I will mail you complete details of a practical and effective plan now in use by more than 300 representative business firms. Tear this out and hand it to your secretary.

**S. R. STAUFFER**

Letter Counsellor

601 Wilmac Bldg. Minneapolis, Minn.

## CHATTANOOGA

"The Dynamo of Dixie"

**CONCERNS** in all lines of business are invited to write for complete information relative to the numerous advantages of Chattanooga as a sales and distributing point in the southern territory.

**ALSO**, valuable information regarding power sources, water supply, transportation facilities, labor conditions, etc., is available to manufacturers contemplating main or branch factories in the South.

### Chattanooga Clearing House Ass'n

800 James Building, Chattanooga, Tenn.



**N. B. COLYTT LABORATORIES**  
ENGINEERING  
565 W. Washington Blvd. Chicago

**Free Mailing Lists**  
Will help you increase sales and profits by FREE mailing lists and prices on thousands of classified business opportunities.  
99% Guaranteed by refund of 5¢ each  
**ROSS-GOULD CO.** 10th St. St. Louis

## Reviews of Recent Business Books

**Municipal Budgets and Budget-Making**, by A. E. Bucks. National Municipal League, New York City, 1925.

The old belief that the way to make government expenses lighter is to place them in the spotlight has fresh impetus from Mr. Bucks' monograph on the principles of budget procedure and their scientific application to city administration. In this consideration, intended for public officials, students of government, and citizens generally, he includes chapters on the budget and budget-making organization; character and classification of budget information; the budget-estimate forms; preparation and revision of the budget estimates; the form and contents of the budget; appropriation, revenue and borrowing measures; legislative consideration and action on the budget; and administration of the budget plan. Also included is an appendix with topics for discussions and reports.

This monograph is the first of a series to be published by the National Municipal League on the technical phases of local government and administration.

**Conferences, Committees, Conventions, and How to Run Them**, by Edward Eyre Hunt. Harper & Brothers, New York, 1925.

**How to Plan a Convention**, by P. G. B. Morris. The Drake Publishing Company, Chicago, 1925.

A descriptive title of a useful and well-arranged book. Mr. Hunt, who was secretary of the Coal Commission and of other important gatherings, has had wide experience. He gives the routine of conventions from start to finish and in a way that cannot fail to be helpful.

The reader of Mr. Morris' book might do well to start with Chapter XIII, "The Troubles of Jones," for there are set forth entertainingly the reasons why conventions fail. The ways to make them succeed are told clearly and convincingly in the twelve preceding chapters.

Every organization secretary ought to get much help from these two books.

**How to Write Advertising**, by Howard Allan Barton. J. B. Lippincott Company, Philadelphia, 1925.

A lively style and a sprinkling of anecdote make this book, by the vice-president of an advertising agency, more than usually readable. Mr. Barton is with the Albert P. Hill Company, of Pittsburgh, but he is not averse to awarding praise to, and citing examples from, other agencies.

Interesting is the chapter which the author devotes to deploring the "blind headline," which strives to sell us shaving soap by first raising the cry of "fire."

**Cost Accounting**, by W. B. Lawrence. Prentice-Hall, Inc., New York, 1925.

An addition to the rapidly growing literature of cost accounting. Planned as a textbook, but the author hopes that manufacturing executives may find it helpful for reference. A liberal use is made of diagrams, charts and illustrative forms, and the volume is supplemented by problems and practice exercises for the student.

**An Introduction to Statistical Methods**, by Horace Secrist. The Macmillan Company, New York, 1925.

A new edition, much made over, of an accepted book.

**Statistics as Applied in Business**, by Benjamin Franklin Young. The Ronald Press Company, New York, 1925.

A comprehensive work by a statistician for the American Telephone & Telegraph Co. It raises the question that so often comes to the mind of

one who goes over business books: Is this volume intended for the business man or the professional statistician? Or both? And if both, can the same book reach both? Sometimes as a non-statistical layman, we wish someone would write a primer that would show us what can be done with statistics and prove his points with illustrative incidents.

**The Regularization of Employment**, by H. Feldman. Harper & Brothers, New York, 1925.

**Can Business Prevent Unemployment?** by Ernest G. Draper, Sam A. Lewisohn, John R. Commons, Don D. Lescobier, Alfred A. Knopf, Inc., New York, 1925.

In the widening literature on industrial relations the prevention of unemployment is getting its share of attention. Professor Feldman, who deals with industrial relations at the Tuck School at Dartmouth, has made a sweeping study of his lessening unemployment. He sounds a warning in his chapter on unemployment insurance, that "if business doesn't, government will." Yet Professor Feldman in the chapter "A Comprehensive Program of Regularization," seems to draw heavily on government aid.

The four authors of the other book, all men well known in industry or in economic research and teaching, devote themselves largely to the waste caused by unemployment. They too feel that unemployment can be greatly reduced.

An impressive list is given of companies which have made an effort to stabilize production, which is a most important step towards prevention of unemployment.

**Inventory Practice and Material Control**, by Frederic W. Kilduff. McGraw-Hill Book Company, Inc., New York, 1925.

A thorough work by an accountant, dealing with the problems of the manufacturer and the retailer. Of growing importance in view of the intricacy of Federal taxes. A separate section is devoted to the subject of material control.

**Retail Merchandising**, by James L. Fel. Prentice-Hall, Inc., New York, 1925.

Based on the author's work with merchandising classes in the New York University School of Retailing, and one of a series on retailing by these publishers. Dealing largely with the selling methods of department stores, it covers in detail such questions as selecting and paying sales people, methods of advertising, inventories and stock turns.

**Collection Correspondence and Agency Practice**, by Theodore N. Beckman and Felix E. Held. McGraw-Hill Book Co., Inc., New York, 1925.

Half the book is devoted to the art of writing letters that will make the delinquent customer pay his overdue bills, and this half is liberally studded with examples of good and poor letters. The rest of the book deals with the methods of collection agencies. The authors teach business organization at Ohio State University.

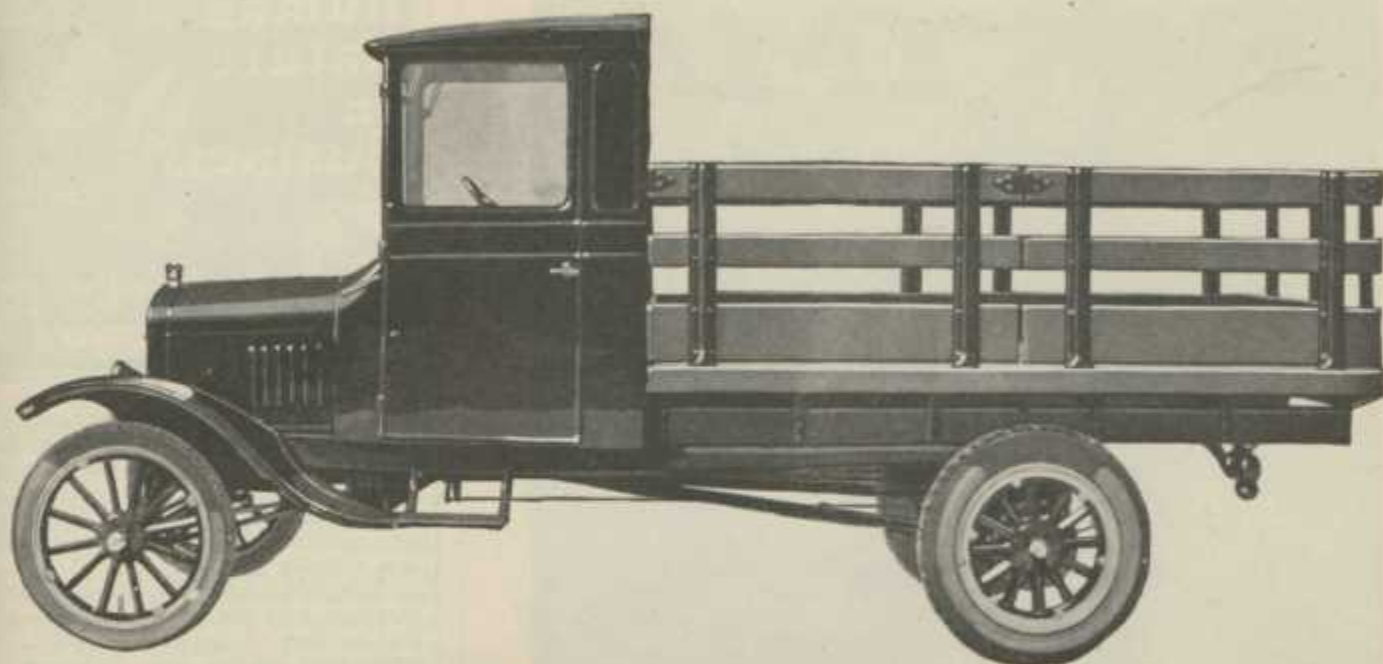
**Market Analysis**, by Percival White. McGraw-Hill Book Co., Inc., New York, 1925.

A new edition of a useful work.

**Distribution Through the Drug Trade—How To Get It—Also Decisions Governing Distribution**, Compiled by C. H. Waterbury for Committee on Proprietary Goods, National Wholesale Druggists' Association, New York, 1925.

A helpful study of the distribution problems of the wholesale drug trade. One chapter is devoted to a summing up of the present status of law as it affects resale price maintenance.





## Look Ahead!

The truck you now have, or the truck you now buy is the one on which you must depend for cold weather hauling and delivery.

Just ahead lies winter. Soon will come rain, snow, ice and bitter cold—factors which will affect your delivery service.

The man who uses a Ford truck to meet these conditions has a decided advantage in securing rapid and sure transportation. The starter gives a quick turn-over to the engine despite the cold; the absence of excess weight reduces skidding to a minimum; parking is simple and operation is dependable.

Look ahead now and be prepared. See your nearest Authorized Ford Dealer and plan now to put your transportation system on a Ford basis thereby continuing first class delivery service throughout the winter.

Ford One Ton Truck Chassis.....	\$365 f. o. b. Detroit
Ford One Ton Truck With Stake Body and Closed Cab.....	\$515 f. o. b. Detroit
Starting equipment \$65 extra	

*Ford Motor Company*  
Detroit

# Ford

CARS • TRUCKS • TRACTORS

*Recent improvements in Ford Car designs add greater convenience to driving and service. The action of the brakes is smoother and more positive; brake and clutch pedals are newly designed and more conveniently spaced.*





# FATIMA

what a whale of a difference  
just a few cents make



## Human Nature in Business

by  
Fred Kelly

**L**EE MILLER, consulting engineer for the American Institute of Steel Construction, whom I have often quoted in these columns because he never talks to me except sagely, recently remarked that he has discovered why men complain about poor business when business is really good.

"It is," declares Miller, "because most business men have not yet awakened to the fact that we have overcome the weather. We no longer have seasonal peaks in business due to mere weather conditions, but go right ahead the year around regardless of season or weather. It used to be that little building was done in winter. Today in any large city you see men excavating for great buildings in defiance of snow or mud. Instead of having a high peak of building activity when the season is most advantageous, the same work is spread over many months. But the fellow who makes comparison with his former busiest season and takes snap judgment decides that business is rotten."

"No matter what business you look at, you're apt to find that it has recently undergone a big change due to this elimination of seasonal peaks. We no longer buy enough steel, woollens or rope to last for months ahead, because we know that we can get such supplies when we need them. Even underwear sales are distributed rather evenly through the year. As many furs are sold in summer as in winter. We have vanquished seasons and ironed out the seasonal peaks. This is a tremendous advantage to everybody in business. But the trouble is that most of us don't know it."

"IT'S A strange fact," remarked a very shrewd business man who has invested heavily in railroad securities, "that a railroad seems to have prospects for future prosperity somewhat in inverse ratio to the prosperity and civilized condition of the country through which it goes. Where the country is built up and everybody getting rich, people begin to fight the railroad and seek to pass laws to curtail railroad profits. But in less civilized, less prosperous places, men are willing to give a right-of-way free of charge and even guarantee reasonable earnings if the railroad will only come that way."

"IT TAKES about three times as long to sell gasoline to a woman as to a man," lamented the man in charge of a gasoline filling station. "A woman likes to shop a little before buying even if it's only gasoline. Because of her life-long habits she is slow to make up her mind. She takes two or three minutes to decide if she wants high-test or low-test gas. Then when she has paid her bill, she remembers that she wants oil for her engine but can't immediately make up her mind whether to buy thin, heavy or medium. Finally, when about to drive away she



## THE GLEN SPRINGS

WATKINS GLEN, N. Y.  
ON SENECA LAKE  
Wm. E. Lefingwell, President

A Health Resort and Hotel with complete facilities for the treatment of heart, circulatory, digestive and nervous disorders. Valuable mineral springs—highly radio-active. Baths under specialized medical direction.

Illustrated booklets on request.

### Your Secretary is in Washington Today

Your desk is ready, appointments made, introductions arranged. Your confidential secretary is ready to take your dictation; get your Congressional and Departmental data; see to details. Your Washington office has every facility you have at home and will carry on in your absence. Long training permits special attention to agricultural-industrial matters. Write for details of this unusual service.

NELL V. PRICE  
Your Washington Secretary  
512 Munsey Building, Washington, D. C.

### "The City of Diversified Industries"

Canton, Ohio

**For Sale or Lease.**—Two foundries, light manufacturing plant, tool and machine shop, plant suitable for publishing house, and plant suitable for heavy machine work. City ideally located as commercial and industrial center. Cheap power and excellent labor conditions.

Good railroad facilities, proximity to raw materials and markets and stable business conditions.

The Industrial Development Committee  
The Canton Chamber of Commerce  
Canton, Ohio



happens to think that she wants water for the radiator or air in her tires.

"I love women," he added, as he counted out my change, "but they do take up a lot of a man's time."

**IN MAKING** a report of intelligence tests applied to a group of successful business men, Dr. W. V. Bingham, authority on personnel research, observes:

"University teachers are prone to magnify the importance of intelligence. It is indeed likely to be the chief factor in their own success. They tend to estimate the effectiveness of their colleagues in terms of intellectual accomplishment. They rank their students in the order of their ability to master and manipulate ideas. But, in the world of business, success is first of all a matter of getting things done. Ability to persuade and control people is an outstanding asset. Effectiveness within an organization demands such traits as dependability, cooperativeness, energy, promptness of decision. If traits like these are present to a high degree, a man may make a notable business success even though his rating for mental alertness is comparatively low. Intelligence there must be, above a certain minimum. But this minimum is, perhaps, not so high as is often supposed."

**STUDENTS** of intelligence rating have discovered, by the way, that business men of superior intelligence are the ones most likely to reply to a personal-history questionnaire. In other words, a smart fellow *knows* he is smart and is therefore not ashamed to give facts about himself.

**A RECENT** survey of current magazines at the psychological laboratory of Columbia University shows that more than 65 per cent of full-page advertisements contain pictures of members of the well-known human race. This is probably because humans are always interested in other humans and a picture of a person, rather than of a mere object, is a useful factor in attracting attention.

The same study showed that color in advertisements is probably less effective in attracting attention than is commonly supposed. It neither attracts great initial attention nor serves to hold interest. However, color is so useful for artistic purposes that it may nevertheless be worth the extra cost. Naturally, color is valuable as an attention attracter in proportion to how little color appears in other advertisements with which it is in competition in the same magazine. If only one page in the whole magazine contains red ink, that page will make people look at it. But if every advertiser tries the same method, then a page in plain black and white might get more attention.

**WHICH** recalls that a man I know whose business is carried on largely by mail makes a close study at all times of colors most used in business stationery. He uses blue paper and envelopes and finds that they are most effective in bringing prompt responses—because letters written on such stationery are most noticeable—but this is true only when his competitors are using something more common. If he finds that many others in his same field are writing on blue paper, he promptly switches for the time being to something else.

**A SALESMAN** told Prof. R. S. Woodworth, psychologist, of Columbia University, about his difficulty in remembering customers' names.

"Most bad memory," Prof. Woodworth



## RADIOGRAMS



## Sell Goods—in England

**RADIOGRAMS go direct to:**

ENGLAND ITALY  
FRANCE POLAND  
GERMANY NORWAY  
SWEDEN  
ARGENTINE REPUBLIC  
HAWAII and JAPAN

**HOW TO SEND RADIOGRAMS**

In New York, Washington, Boston, or Honolulu phone for an RCA messenger.

In other cities—file Radiograms to Europe or the Near East at any RCA or Postal Telegraph office, and to Hawaii and Japan at any RCA or Western Union office.

To any country—and for passengers on ships at sea—be sure to mark your messages

**"Via RCA"**

Send Today for Radiogram Rate Sheet

Foodstuffs—cotton—wool—tobacco: Great Britain imports over two billion dollars' worth of these products annually.

American business houses must use a speedy communication service to retain their share of British trade, and Radiograms—direct to England—offer a prompt, accurate means of keeping in touch with foreign correspondents.

### RADIO CORPORATION OF AMERICA

RCA OFFICES IN THE FOLLOWING CITIES

NEW YORK CITY			
64 Broad Street.....	Broad 5100	6 West 19th Street.....	Watkins 7953
14 Spruce Street.....	Beekman 8220	1824 Broadway.....	Columbus 4311
126 Franklin Street.....	Walker 4991	19 West 44th Street.....	Murray Hill 4996
	264 Fifth Avenue, Madison Square 6780		
SAN FRANCISCO, 28 Geary Street, Gerfield 4200			
WASHINGTON, D. C., 1112 Connecticut Avenue, Main 7400			
HONOLULU, T. H., 925 Fort Street			
CHICAGO.....	16 So. La Salle Street	PHILADELPHIA.....	The Bourse
BOSTON.....	100 Congress Street	CLEVELAND.....	1599 St. Clair Ave.
NEW ORLEANS.....	Casadelet Building	SEATTLE.....	501 Maritime Bldg.
BALTIMORE.....	Gay & Pratt Streets	PORT ARTHUR, Texas.....	Realty Building
NORFOLK, VA.....	220 Brewer Street	LOS ANGELES.....	415 So. Spring Street





## Bridging Space

**T**HE long-distance telephone, surmounting barriers and bridging space, makes the scattered people of the nation neighbors.

Whether you wish to call Chicago, New York, Havana, San Francisco, Boston, Seattle, or any intermediate place, the long-distance facilities exist—ready for your use.

The Bell System today has 5,000,000 miles of long-distance lines, which, with its exchange lines, bring its total wire mileage up to more than 39,000,000 miles.

This nation-wide plant and nation-wide service underlie Bell System securities.



The stock of the A. T. & T., parent company of the Bell System, can be bought in the open market to yield a good return. Write for information.

## BELL TELEPHONE SECURITIES CO. Inc.

D.F. Houston, President  
195 Broadway NEW YORK



"The People's Messenger"

told him, "is due to the fact that you do something all by yourself which you originally needed assistance to do. If you remember a man's name you can call him by name on sight without assistance. The trouble is that when you first meet a man you usually have assistance. Somebody tells you his name. Good management demands that, when you have assistance, you should then and there do the very thing which you later will need to do without assistance. When somebody has just told you a man's name, you should look at the stranger, try to fix his appearance in your mind, at the same time calling him by name, either aloud or silently, thus preparing yourself to know his name when next you meet him. This is the principle of all memory training."

**W**ALTER S. GIFFORD, president of the Bell Telephone Company, told me not long ago that the only trouble with a big job is the title. "If a man could only have important duties to perform and be rewarded accordingly, but with no title and known only as a clerk to those outside of his own office, the situation would be ideal," he said. "If a man has a high-sounding title, he is expected to live up to it, not only while at his work but wherever he goes. The consequence is that he can hardly live in the simple manner he may prefer."

This wasn't mere idle chatter, either. Gifford is one of the comparatively few big-league New York executives I can think of who, by preference, ride in the subway rather than by automobile. This is because he likes to be thrown in close contact with all sorts of folk.

But I doubt if his idea of having a big job with a humble title would appeal to the average employee of less philosophical outlook. The average man is chafing because his title doesn't sound pretentious enough. Just recently I noticed in the list of employees in the back of a theater program that the man in charge of the theater wash-room is pompously called *Director of Public Comfort!*

**A** YOUNG friend of mine undertook without previous experience to play the stock market and now has the 1925 Prize Hard Luck Tale. He had heard of so-called stop-loss orders: Timorously he bought 100 shares of a certain stock, on margin, at \$80 a share. He thought the most he could afford to lose was \$400, and when he placed his buying order he told the broker to put in also an order to sell at \$76 a share if prices dropped that far. Having arranged to buy his stock he went his way, intending to wait a few months, if need be, to take his profit. Less than two hours later, the broker called him to say: "I have executed both your orders!"

Worst of all, having dipped down and cost my friend \$400, the stock went up again next day to \$80 and now it is selling for more than \$120 a share.

**A** PAINT manufacturer tells me that one of the worst features of his business is dishonest competitors. "They make customers suspicious of all paint," he explained. "The trouble is that scarcely any commodity of the market lends itself to dishonesty so well as paint. Few people know much about it. A poor paint when first applied looks about as well as the best. If it doesn't wear well, there is always a chance to blame it on unusual weather conditions or the way the painter put it on. Reputable paint manufacturers have a constant fight on their hands to eliminate those who are unscrupulous."

## Envelope Publicity

**E**ACH one's a little billboard—don't let it go out without a message that will help your business grow. Our new booklet, "Envelopes As Advertising Mediums," tells how! It also describes Cupples side seam envelope, the one that's handled easier, addressed faster and cuts loss. The book is free—write today!

Envelopes  
Advertising  
Mediums

This booklet  
is FREE!

Samuel Cupples Envelope Co.

620 S. Sixth St., St. Louis  
7-9-11 Lighthouse St., New York

## Substantial Saving!

NATION'S BUSINESS is 35¢ per copy. Thirty-six monthly numbers (three years), bought singly, would cost \$12.60. Our rate for a three-year subscription is \$7.50. You save \$5.10.

NATION'S BUSINESS  
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**Fiberstok**  
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### PARTITION ENVELOPES

for Carrying and Filing Important Papers.  
On the street—at home—or in the office.  
Provides protection from soil or wear.

"They Last Longer!"

National Fiberstok Envelope Company  
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*Send all Your Specifications to*

# DODGE

POWER TRANSMITTING — ELEVATING — CONVEYING & SPECIAL MACHINERY



Dodge Belt Conveyor Installation

Dodge elevating and conveying equipment has insured continuous, mechanical handling of materials at low cost in industrial plants all over the world. Dodge experience, facilities and service have convinced many of the largest industrial concerns of the advantages in savings and operating satisfaction which are the logical results of centralized purchasing and undivided responsibility.

Dodge engineers are prepared to survey your material handling problems—their recommendations are backed by many years of experience and a broad practical knowledge of the requirements of industry.

**DODGE MANUFACTURING CORPORATION**  
Mishawaka, Indiana

Branches: Boston New York Newark Oneida Philadelphia Pittsburgh Cincinnati  
Chicago St. Louis Minneapolis Seattle San Francisco Houston Atlanta



**POUNDS OR TONS DODGE CAN BUILD IT**





*Ravine Park, Kohler Village*

*Kohler Village is known to city planners and landscape architects as one of America's finest community developments. Its character is reflected in the quality of Kohler products—enameled plumbing ware and private electric plants*

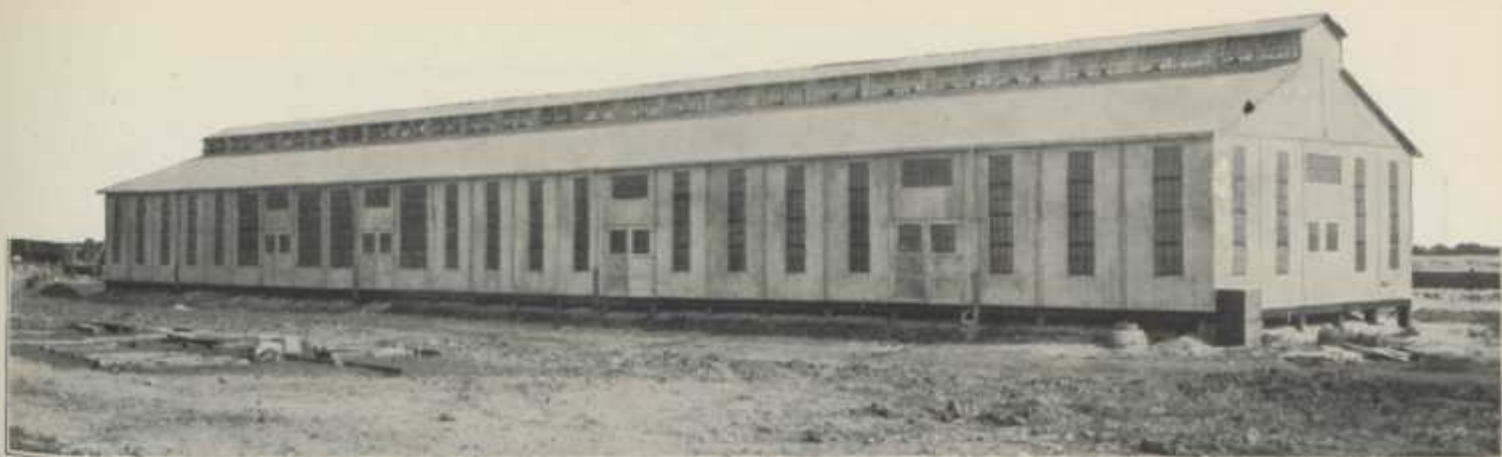
YOU will find Kohler Ware in the most magnificent homes, hotels, and clubs of America. You will find it, too, in simple dwellings whose builders have had to count the pennies. For Kohler excellence is two-sided. It is composed of worth and beauty in their highest development; and moderate cost, no more than that of any other ware that you would care to consider. The Kohler enamel is noted for its uniform snowy whiteness. It is always marked with the name "Kohler" in faint blue letters. Your architect will be more than glad to specify this unusually good ware.

KOHLER CO., *Founded 1873*, KOHLER, WIS.  
Shipping Point, Sheboygan, Wis. • Branches in Principal Cities

# KOHLER of KOHLER

## *Plumbing Fixtures*





Railroad shop building, clear span 50 x 240 x 18 ft. with monitor—one of 7 general types of STEFCO standard buildings

## "LIGHTNING" AND STEFCO STEEL FACTORY BUILDINGS

### Only Sure Protection

The late Dr. Charles P. Steinmetz, Chief Consulting Engineer of the General Electric Company, recognized as one of the world's greatest electrical engineers and an undisputed authority on lightning, back in 1922 submitted to an interview on this topic, in which he gave utterance to statements of vital interest to industrial management.

"I can think of just three places where you will be absolutely safe in a thunderstorm: One is an underground chamber. Another is a space entirely surrounded with a metal network. The last—and the only one of which you are likely to be able to take advantage—is a steel-framed building.

"Steel-framed buildings are excellent conductors. They tend to relieve by 'silent discharges' the electric strain always existing between earth and sky during a thunderstorm. Sometimes they are struck, but the people inside them never know it.

"The lightning is instantaneously carried to the ground and dissipated. The Eiffel Tower in Paris has been hit many times. Observers on the ground have seen the impact of the lightning, but visitors in the tower at the time were unaware of it."

### You Cannot Afford Hazard of Combustible Construction

The biggest buyers have long since turned to the exclusive use of steel structures, not only because

of their protection against fires, resulting from various causes, but where fires do occur, steel buildings confine them, thereby saving the rest of the plant.

### STEFCO Buildings Save Half

STEFCO buildings save at least half over brick or concrete, and conserve your working funds. Excessive fixed charges reduce net earnings; ample working capital increases them.

### Universal Service of STEFCO Buildings

From Alaska to South America, and throughout the rest of the world, STEFCO buildings are performing a universal service. Backed by an organization of experts and factory facilities comprising 175,000 sq. ft. of floor area, devoted exclusively to the manufacture of this one product, STEFCO ability to serve the requirements of the trade is well known. For dependability, STEFCO service is as favorably known as the product itself.

Designed in seven general types, there are more than one hundred standardized stock sizes of STEFCO buildings, one or a combination of which will be found admirably adapted to your needs. Mail this coupon without obligation today.

**STEFCO STEEL COMPANY**  
MANUFACTURERS OF

GENERAL OFFICES  
AND  
WORKS

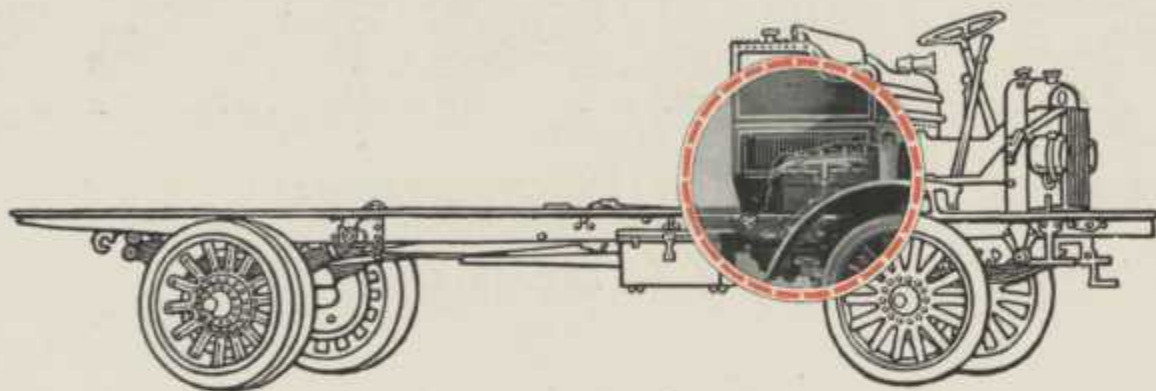
MICHIGAN CITY  
INDIANA  
U.S.A.



Have representative call ☐  
Send catalog ☐  
Send price on STEFCO building.....ft. wide by.....ft. long  
by.....ft. high to eaves.  
Firm.....  
Business.....  
P. O.....



# Engine-under-the-seat design develops constant economies



## Autocar short wheelbase design—

Eliminates unnecessary weight, lessening the cost per load, per ton, per package or per mile.

On Autocar trucks the load is more evenly distributed. This minimizes wear on parts and tires, and saves gasoline because a better balanced load is an easier rolling load.

These distinctive economies are being reflected daily in the operating cost sheets of tens of thousands of Autocars doing every type of hauling.

### The Autocar Company, Ardmore, Pa.

ESTABLISHED 1897

#### Direct Factory "Autocar Sales and Service" Branches or Affiliated Representatives in

*Albany	*Buffalo	*Detroit	*Memphis	*Paterson	*San Francisco	Tampa
*Allentown	*Camden	*Erie	*Miami	*Philadelphia	*San Jose	Trenton
*Altoona	*Charlotte	*Fall River	*Newark	*Pittsburgh	*Schenectady	*Washington
*Atlanta	*Chester	*Fresno	*New Bedford	*Providence	*Scranton	West Palm Beach
*Atlantic City	*Chicago	*Indianapolis	*New Haven	*Reading	*Shamokin	*Wheeling
*Baltimore	*Cleveland	*Jersey City	*New York	*Richmond	*Springfield	Wilkes-Barre
*Binghamton	*Columbus	*Lancaster	*Norfolk	*Rochester	*St. Louis	Williamsport
*Boston	*Dallas	*Lawrence	*Oakland	*Sacramento	*Stockton	*Wilmington
*Bronx	*Denver	*Los Angeles	*Orlando	*San Diego	*Syracuse	*Worcester
*Brooklyn						York

\* Indicates Direct Factory Branch

# Autocar

gas and electric trucks

EITHER OR BOTH - AS YOUR WORK REQUIRES